



## **Commonwealth Bank completes global Australian mortgage securitisation**

**Sydney 27 April 2005:** Commonwealth Bank has completed its eighth global issuance of AUD 1.82 billion mortgaged backed securities through the Medallion Trust; its Mortgage Backed Securities (MBS) programme.

The assets comprise fixed and variable rate mortgage loans originated from the Bank's home loan portfolio and from the portfolio of Homepath Pty Limited, a wholly owned subsidiary. The deal is structured to include issuance of securities in two currencies. The pricing for the Class A securities of USD 1.4 billion is at 3m US LIBOR + 4bp.

Class A securities are issued into the US and Euro markets under the SEC shelf programme, whilst Class B securities are issued into the domestic market. The Class A Notes have an average life of 2.75 years, whilst the B Notes have an average life of 4.80 years.

This transaction deal brings the total issuance to date under the Medallion global programme to nearly AUD21.1 billion.

The transaction was lead managed by Citigroup Global Markets for the Class A securities and Commonwealth Bank of Australia for the Class B securities.

### **Transaction Details:**

- Structural enhancements include mortgage insurance policies and a pool policy from GE Mortgage Insurance Co. Pty Ltd. (rated AA by S&P).
- Commonwealth Bank will continue as Servicer of the loans. Securitisation Advisory Services Pty Ltd, a wholly owned subsidiary of the Bank, will be the Manager of the Trust.
- The Bank will also provide a AUD14.5 m liquidity facility, a AUD50m redraw facility and act as the interest rate and currency hedge provider. The structure also allows for principal to be used for income shortfalls once the liquidity facility has been fully drawn.
- The trustee of Medallion Trust Series 2005-2G is Perpetual Trustee Company Limited.
- The Class A notes are expected to be rated AAA/Aaa by Standard and Poor's and Moody's. The Class B notes are expected to be rated AA by Standard and Poor's.
- The Class A and Class B notes will receive principal and interest payments quarterly.

# Media Release Media Release

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