

UNIVERSITY APPOINTS MURRAY & COMPANY

Murray & Company is working with the University of Canterbury to raise up to \$100 million for major capital projects through New Zealand's first listed philanthropic bond issue.

Murray & Company is acting as joint lead manager, together with First NZ Capital.

The offer is for \$50 million fixed rate bonds with philanthropic options with the ability to accept oversubscriptions of a further \$50 million. Investors will be paid 7.25 per cent interest for five years, with the rate then reset for a further five years, and will receive full repayment when the bonds reach maturity in 2019, unless they elect otherwise.

This bond issue aims to secure additional resources for world-class teaching and research facilities that will enable the acceleration of the current investment plan.

Managing Director, Justin Murray, said:

“Today’s launch of the innovative bond issue is the culmination of six months’ meticulous planning by our investment banking team, headed by Chris Milne. We believe the issue is an exciting opportunity for New Zealanders to make a direct investment in education infrastructure and are delighted to be involved with a pioneering project involving such a high-calibre educational institution.”

Philanthropic bond issues are increasingly common overseas but this is a first for New Zealand and we are expecting keen interest from investors wanting a strong return coupled with the philanthropic desire to support the University.

The philanthropic options include the ability for investors to reduce the interest to zero for some or all of their bonds – a decision that they can change should their circumstances change. Investors will also be invited to consider donating part, or all, of the sum owed at maturity. Interest would continue to be paid on the donated bond principal if investors chose to take the donation option.

Murray & Company has a close relationship with the University, including an annual scholarship, mentoring for students, and an internship programme. We are proud to work with the University of Canterbury and help to prevent the potential “great brain robbery” spoken of by the Vice Chancellor, Rod Carr.

The offer closes on 30 November. For more information about this investment opportunity, please phone Johnny Cochrane, Director of Murray & Company Wealth Management, DDI 378 0570, johnny@murrays.co.nz.

- Justin Murray, Managing Director, Murray & Company
