



Friday 30 September, 2011 10:53 AM

Wide Bay sells 10-year floating rate notes

Wide Bay Australia, one of Australia's larger non-bank Approved Deposit Taking institutions (ADI), has launched and priced a FRN (floating rate note) domestic bond issue, raising \$13 million from the transaction.

The bonds were priced at 460 basis points over the bank bill swap rate (BBSW), and were issued as part of the ADI's \$200 million debt issuance program.

The notes are due for redemption on 6 May 2021, but will have a call date of 6 May 2016 under a structure, known as a "10 non call 5" deal. That is, the notes are of a 10-year final maturity, with the issuer having the right to call after five years. This allows the notes to qualify as Lower Tier 2 for regulatory capital purposes under Australian Prudential Regulation Authority rules, according to the lead manager on the deal.

Laminar Capital is arranger and sole lead manager on the transaction, the third capital markets funding deal for an ADI that the firm has led in recent months, starting with Rural Bank in 4Q10 and Bananacoast Community Credit Union in January this year.

CAPITAL MARKETS | **Tags:**

Author: Bernard Kellerman, bkellerman@financialpublications.com.au

Article Posted: May 05, 2011

Australian Banking and Finance, and *AB+F* are published by Australian Financial Publications. © 2011