

MacBank and Rismark vow to protect their turf

Ben Wilmot

Rismark International and Macquarie Bank have signed up another major bank to distribute their equity finance mortgages and have vowed to pursue lenders through the courts if they infringe on their concept.

The pair are wrapping up a roadshow to raise \$1 billion from superannuation funds to back their mortgages, in which investors will share in the

capital gains and losses on homes.

The first Advanced Real Estate Solutions Fund is to invest in 17,000 equity finance mortgages sourced across major Australian markets.

Adelaide Bank is understood to have started preparing to launch Rismark's equity finance mortgages. Along with ING Direct, it will distribute the mortgages in early 2006.

Other distribution partners are said to be on the cards, but the Australian Securities and Investments Com-

mission has also granted conditional relief for Rismark's mortgages to be distributed via mortgage brokers.

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Separately, Rismark has worked with law firm Mallesons Stephen Jacques and patent attorneys Fraser

Old & Sohn, to develop a strategy to protect its intellectual property assets. It also has aggressive firm Atanaskovic Hartnell on retainer to pursue breaches.

This hard-line stance means that potential entrants to the market, such as the big four banks locally or investment banks looking to copy the concept offshore, will probably need to deal with Rismark.

Rismark's inventions relate to the origination, processing, servicing,

securitisation and portfolio management of equity finance mortgages. In a 2001 case involving funds management giant State Street, the Federal Court found that such processes could be patented.

Rismark has elevated former Macquarie Bank executive Richard Facioni to executive chairman. The founder of Trowbridge Consulting, John Trowbridge, has been appointed chairman of Rismark's global research advisory board.