

PENSION BCP SPLIT DEPOSIT BOND 11

KEY FEATURES

HOW THE BONDS WORK.....

The product producer of the BCP Split Deposit Bond 11 is BCP Asset Management Ltd, 71 Upper Leeson Street, Dublin 4.

25% of the investment amount is placed in a 12 month high yield deposit account. This account matures on 14th September 2011 and will return investor's capital along with interest of 5% (5% AER).

75% is invested in a 3 year 9 month Quadruple and/or Double Growth Bond and is allocated to the basket which is equally weighted between each of the 25 shares. At the end of the 3 year 9 month Term, the percentage performance (gain or loss) of each share is calculated (the increase in each share in the basket being limited to 15%). The average performance of the 25 shares is then calculated and this percentage will then be doubled or quadrupled to determine the Interest to be added to the capital amount secured in each bond. The Double and Quadruple Growth Bond offer 100% and 90% capital security respectively in this part of your investment.

In order to protect the performance of the basket from short-term volatility in stock markets towards the end of the Term, the Final Price will reflect the average price of each share on a monthly basis over the final 6 months of the Term. The effect of averaging is to protect returns in a falling market but conversely it may restrict growth in a rising market.

Neither bond suffers exposure to foreign currency hence there will be no currency risk or hedging costs.

These bonds are not suitable for investors who require regular income or require access to their capital before maturity. The bonds are suitable only as capital growth investments. The return on the Double and Quadruple Growth Bond will depend on the performance of the underlying basket of shares and will only be determined at the end of the Term. No withdrawals may be made before the maturity dates on 14th September 2011 and 14th June 2014.

Your money is not invested in the shares of the companies in the equity basket and, therefore, you do not benefit from any dividends paid by the companies.

WHERE DOES MY INVESTMENT IN THE SPLIT DEPOSIT DOUBLE GROWTH BOND 11 GO?.....

An initial fee of 1.4% is payable to Friends First to cover additional administrative costs. The net investment will be 98.6% of the original investment amount. The paragraph below displays how the investment is structured for a typical €10,000 investment.

High Yield Deposit (25%)

25% or €2,500 of your investment will be used to secure the promised payment of €2,625 payable after 12 months. This is equivalent to a return of 5% (5% AER).

Double Growth Bond (75%)

75% or €7,500 is invested in the Double Growth Bond. The Double Growth Bond provides 100% capital security by placing 89.39% or €6,704 of your investment amount (€7,500) on deposit. This amount will grow to 100% or €7,500 by the end of the 3 year 9 month term. The Double Growth Bond offers a potential return capped at 30% (7.2% CAR) or €2,250. 6.17% or €463 of your investment amount will be used to purchase this potential return.

If the basket of 25 shares is negative at the end of the 3 year 9 month term, you will receive 100% of your investment in this part of the Bond. This payment represents a 0% gain on your investment in this part of the Bond over the period.

BCP will manufacture, distribute and administer the Split Deposit Double Growth Bond 11. For this BCP will receive a fee of 1.33% or €133 and intermediaries will receive a fee of 2% or €200 on the entire investment amount.

WHERE DOES MY INVESTMENT IN THE SPLIT DEPOSIT QUADRUPLE GROWTH BOND 11 GO?....

An initial fee of 1.4% is payable to Friends First to cover additional administrative costs. The net investment will be 98.6% of the original investment amount. The paragraph below displays how the investment is structured for a typical €10,000 investment.

High Yield Deposit (25%)

25% or €2,500 of your investment will be used to secure the promised payment of €2,625 payable after 12 months. This is equivalent to a return of 5% (5% AER).

Quadruple Growth Bond (75%)

75% or €7,500 is invested in the Quadruple Growth Bond. The Quadruple Growth Bond provides 90% capital security by placing 80.09% or €6,007 of your investment amount (€7,500) on deposit. This amount will grow to 90% or €6,750 at the end of the 3 year 9 month term. The Quadruple Growth Bond offers a potential return capped at 50% (11.4% CAR) or €3,750. 14.2% or €1,065 of your investment amount will be used to purchase this potential return.

If the basket of 25 shares is negative at the end of the 3 year 9 month term you will receive 90% of your investment in this part of the Bond. This payment represents a 10% loss on your investment in this part of the Bond over the period.

BCP will manufacture, distribute and administer the Split Deposit Quadruple Growth Bond 11. For this BCP will receive a fee of 1.78% or €178 and intermediaries will receive a fee of 2.5% or €250 on the entire investment amount.

DO I HAVE ACCESS TO MY INVESTMENT?.....

No withdrawals may be made before the end of the 3 year 9 month term (14th June 2014).

On maturity of the 12 month deposit portion of the Bond on 14th September 2011, investors will have the choice of investing in another BCP Capital Secure Bond, or switching into the Friends First range of pension funds.

On maturity of the Quadruple and/or Double Growth Bond portion on 14th June 2014, the capital sum secured together with any interest earned will be paid to Friends First to be held in your pension plan. If for any reason interest cannot be determined by the maturity date, Bank of Ireland ("the Bank") will pay the capital sum secured and interest 2 days after the interest can be determined.

Under revenue rules partial transfers of pension plans are not permitted. Therefore the 12 month deposit portion of the Bond cannot be transferred until the maturity of the Quadruple/Double Growth Bond on 14th June 2014.

WHAT HAPPENS IF I DIE?.....

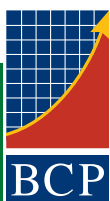
In the event of the death of the pension holder prior to the expiry of the 3 year 9 month Term, the pension may be redeemed by a spouse or dependents subject to normal probate and pension regulations at its realisable value as determined by BCP based on a calculation by the Bank.

The redeemable amount will be calculated primarily by reference to the market value of the assets and the remaining term to maturity. The realisable value may be more or less than the original capital amount secured.

WHAT ABOUT TAX?

Subject to the investment sum being within limits permitted under current pension legislation, any new contributions will be deductible against your income tax liability or corporate tax liability, where applicable. Investors will be responsible for claiming tax relief and Friends First will ensure that any interest earned will be retained in your pension plan without deduction of tax.

The proceeds of your investment at the end of the Terms will be available for re-investment within your Friends First pension plan. Investors should satisfy themselves in relation to revenue reporting requirements and the implications of non-disclosure where required.



Asset Management
Serving investors since 1969

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Bank of Ireland is regulated by the Financial Regulator.
Friends First Life Assurance Co. Ltd. is regulated by the Financial Regulator.

