

UNDERLYING FUND HAS RETURNED +102.5% SINCE SEPTEMBER 2005 (CAR 12.5%)



BCP SERVING INVESTORS FOR OVER **40 YEARS**

# BCP ARF/AMRF ABSOLUTE RETURN BOND 3

A CAPITAL SECURE, ACTIVELY MANAGED, ABSOLUTE RETURN BOND THAT AIMS TO ACHIEVE CONSISTENT, POSITIVE RETURNS IN ALL MARKET CONDITIONS.

- ▲ 100% CAPITAL SECURITY
- ▲ MANAGED BY A LEADING ABSOLUTE RETURN MANAGER
- ▲ UNDERLYING FUND HAS A PROVEN TRACK RECORD, 12.5% ANNUALISED RETURN SINCE SEPTEMBER 2005
- ▲ INVESTMENT TERM – 5 YEARS, 3 MONTHS
- ▲ 50% EARLY EXIT OPTION AT 3 YEARS

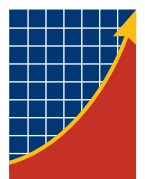
»CAPITAL SECURITY PROVIDED BY **BANK OF IRELAND**«

CLOSING DATE: **25<sup>TH</sup> NOVEMBER 2011**

INVESTMENT

PENSION

ARF/AMRF



**BCP**

Asset Management

Serving investors since 1969

invest@bcp.ie  
www.bcp.ie



The BCP Absolute Return Bond 3 is available to ARF and AMRF investors.

Investments may be made from:

1. transfers from existing ARFs/AMRFs;
2. transfers not taken as a tax free lump sum from the proceeds of a personal plan or occupational pension scheme at retirement;
3. transfers of AVC benefits at retirement.

There are no additional fees for administering the ARF or AMRF contract.

# BCP ABSOLUTE RETURN BOND 3

The **BCP Absolute Return Bond 3** is a unique investment opportunity offering investors access to the performance of a Fund which has a proven track record in producing positive investment returns in all market conditions, with the additional benefit of **100% capital security** provided by Bank of Ireland. The Bond will pay investors 90% of the returns in the **Lyxor Epsilon Fund - EUR Class** over the 5 year 3 month investment term. **There is no limit to the maximum return that can be earned from the Bond.** Investors will have the option to encash up to 50% of their investment on the 3 year anniversary of the Bond.

## Lyxor Asset Management – 100% owned by Societe Generale

- Circa €92 Billion Assets Under Management.
- €19 Billion in Alternative Funds.
- Over 650 employees.

## Lyxor Epsilon Fund

- Absolute Return Fund.
- Excellent Track Record.
- Total return of 102.5% since September 2005. This compares very favourably to the Euro Stoxx 50 which returned -34% over the same period.
- This equates to a compound return of 12.5% per annum over the last 6 years.
- The fund invests across different asset classes, including Equities, Currencies, Commodities and Fixed Income.

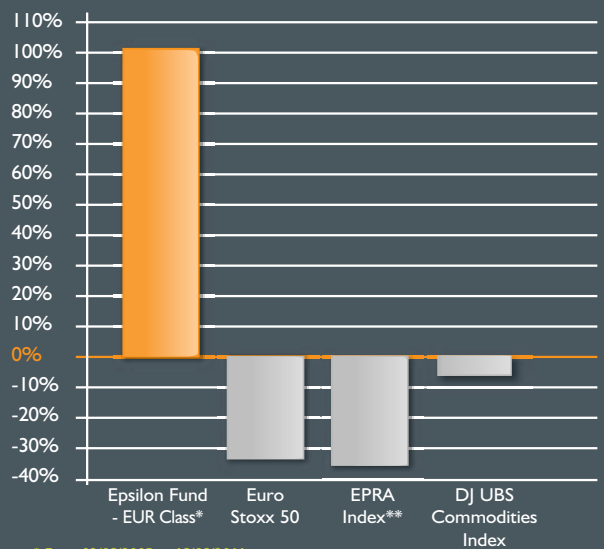
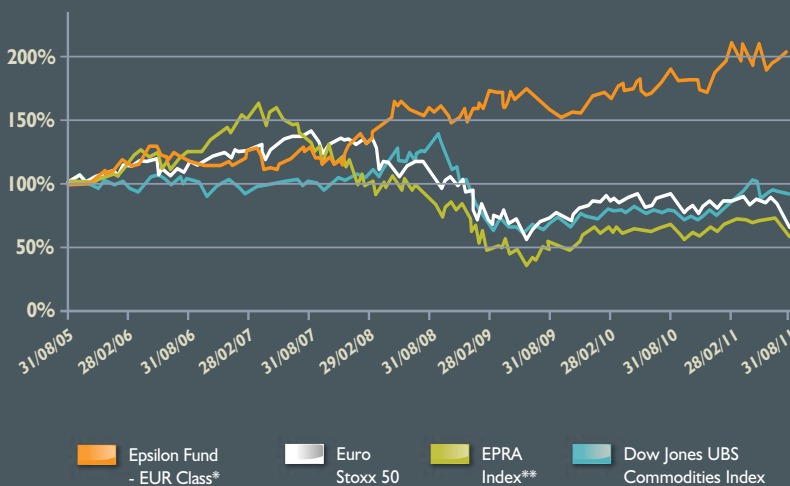
## INVESTMENT RATIONALE

The **BCP Absolute Return Bond 3** is an investment that aims to produce consistently positive returns, regardless of the investment environment. The Bond provides access to an investment that was traditionally limited to only the largest of investors. Reasons for investing in the **BCP Absolute Return Bond 3** include the following:

- The Bond provides diversification from traditional investment classes like equities and property.
- The Bond targets positive investment returns regardless of equity market conditions, and the underlying Fund has a proven record during one of the toughest bear markets on record (see charts below).
- Underlying Fund Manager, Lyxor Asset Management, has received numerous investment awards in 2007, 2008, 2009, 2010 and 2011.

## Past Performance of Lyxor Epsilon Fund

Cumulative Performance



\* From 02/09/2005 to 19/08/2011

\*\* Index composed of the most heavily traded European real estate stocks

Source: Lyxor Asset Management, Bloomberg

**Warning: Past performance is not a reliable guide to future performance.**

**MINIMUM INVESTMENT: €20,000**

# LYXOR EPSILON ANNUAL RETURNS CHART

Sep. 2005 - Aug. 2006	14.00 %
Sep. 2006 - Aug. 2007	3.47%
Sep. 2007 - Aug. 2008	27.46 %
Sep. 2008 - Aug. 2009	9.22 %
Sep. 2009 - Aug. 2010	14.35 %
Sep. 2010 - Aug. 2011	7.84 %

Performance from 2nd September 2005 to 19th August 2011

## ► Cumulative Return

# 102.5%

## ► Compound Annual Return

# 12.5%

### ► CALCULATION OF RETURN

Whatever the growth achieved by the Lyxor Epsilon Fund over the investment term, the Bond will pay 90% of this growth. There is no limit to the maximum return that can be earned from this Bond. Bank of Ireland provides 100% capital security so even if the performance is negative over the Term of the Bond, Bank of Ireland will pay 100% of the investment amount at the end of the Term (less any withdrawals on the 3rd anniversary).

### ► EXAMPLE RETURN

If the performance of the Lyxor Epsilon Fund is 80% over the Term of the Bond, the return to investors will be 100% of the remaining investment amount plus 72% giving a return of 72%, equivalent to 13.7% per annum (CAR 10.9%).

### ► CHARGES

BCP Asset Management receives a fee for the design, manufacture and ongoing administration of the **BCP Absolute Return Bond 3**. This fee is covered within the terms offered on the Bond.

### ► EXCELLENT TRACK RECORD

BCP Asset Management has specialised in Capital Secure Bonds for over 18 years and its track record in this field is excellent.

### ► EARLY EXIT OPTION

BCP has negotiated an early exit facility whereby you may encash up to 50% of your investment on the 3rd anniversary of the Bond at its realisable value, subject to a minimum of €5,000. As capital security is provided only at the end of the 5 year 3 month term, the realisable value of the capital withdrawal may be more or less than its initial value, depending on whether the growth earned by the Bond is greater or less than the early exit break costs. BCP will contact you in advance of the 3rd anniversary to provide an indicative exit price. You will have the option to withdraw up to 50% of your investment at its realisable value, to switch your early exit proceeds to a new investment, or you may elect to remain invested in the Bond.

### ► SUITABILITY

The term of the Bond is 5 years 3 months and matures on 9th March 2017. Investors will be able to access up to 50% of their investment at its realisable value on the 3rd anniversary of the Bond on 9th December 2014. At maturity, the return on the Bond will depend on the performance of the underlying Lyxor Epsilon Fund. The Bond is not suitable for investors who require regular income or require access to their capital before these dates. The Bond is suitable only as a capital growth investment.

### ► NO CURRENCY RISK

The **BCP Absolute Return Bond 3** is not exposed to foreign currency hence there will be no currency risk or hedging cost.

### ► TAXATION

For ARF's and AMRF's set up on or after 6th April 2000, investment proceeds will be repaid without deduction of tax. ARF proceeds will be available for drawdown as income (subject to tax as applicable) or for re-investment within your retirement fund. Depending on your circumstances, AMRF proceeds may or may not be available for drawdown. For ARF's and AMRF's set up before 6th April 2000, investment proceeds will be subject to tax as applicable.

Under the 2011 Finance Act, tax will be charged on imputed withdrawals of 5% per annum from 2010 onwards. 15% of the original investment amount will be retained in an interest bearing account to facilitate investor withdrawals and/or tax liabilities for the years 2011, 2012 and 2013. BCP will retain a further 10% of the original investment amount after three years in December 2014 to facilitate investor withdrawals and/or tax liabilities for 2014, 2015 and part of 2016. The remainder of the 2016 withdrawal (and/or any prior year where funded by BCP) will be deducted from the maturity proceeds in March 2017. This applies to ARF's only, which were first established on or after 6th April 2000 and where the beneficiary is aged 60 or over.

**Warning:** Past performance is not a reliable guide to future performance.

**Warning:** The example performance figures used above are for example purposes only. They are not a reliable guide to the future performance of this investment.

**Warning:** The value of your investment may go down as well as up.

**Warning:** If you cash in part of your investment before 9th March 2017 you may lose some of the money you put in.

INVESTMENT

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PENSION

VERSIONS ALSO AVAILABLE

CLOSING DATE: 25<sup>TH</sup> NOVEMBER 2011

# Terms & Conditions

## 1. Definitions

- 1.1 'you/your' means the customer(s) who is/are investing funds in the BCP Absolute Return Bond 3.
- 1.2 'the Bond' means the BCP Absolute Return Bond 3 provided by BCP in accordance with these Terms and Conditions.
- 1.3 'the Term' means the 5 year 3 month duration of the deposit account commencing on 9th December 2011 and maturing on 9th March 2017.
- 1.4 'the Early Exit Date' refers to the 3 year anniversary of the Bond, being 9th December 2014, on which you will have the option to withdraw up to 50% of your initial investment at its realisable value.
- 1.5 'Interest' means the interest calculated in accordance with Section 7 below.
- 1.6 'the Bank' means The Governor and Company of the Bank of Ireland and its successors, assigns and transferees.
- 1.7 'BCP' means BCP Asset Management Limited and its successors, assigns and transferees.
- 1.8 The 'Fund' means the Lyxor Epsilon Fund – EUR Class referred to in this brochure.

## 2. Confirmation of Eligibility and Identity (New & Existing Clients)

BCP must receive a Transfer Certificate completed and stamped by an existing Qualifying Fund Manager or the pension contract provider. Further to the money laundering provisions of the Criminal Justice (Money Laundering & Terrorist Financing) Act 2010 clients must provide with their application (1) copy passport or full drivers licence certified by one of the following: Garda Síochána/Accountant/Solicitor/Notary Public/Embassy-Consular Staff Member/Authorised Financial Service Provider and (2) original address verification (e.g. utility bill) dated within the last 6 months. Please note this applies to Existing as well as New Clients. Additional documentation will be required for Corporate, Pension and Charitable organisation applicants.

## 3. Your Investment

- 3.1 BCP will lodge your investment in the Bond to a clearing account at the Bank. The funds will then be swept to a client asset account with the Bank in the name of BCP. You will receive a confirmation from the Bank of your investment in the Bond.
- 3.2 At the end of the Term, on advice from BCP, the Bank will pay the remaining capital invested in the Bond (i.e. original capital invested less the nominal value of any withdrawals on the Early Exit Date) together with any Interest earned on the remaining capital invested.
- 3.3 Your money is not invested in the Fund, therefore, the investment does not benefit from any dividends paid by the Fund.

## 4. Availability

- 4.1 The closing date for applications is 25th November 2011, or earlier if fully subscribed.
- 4.2 The minimum investment is €20,000.

## 5. Cooling Off Period

You have the right to cancel this contract prior to the Closing Date of the Bond. If you wish to cancel, written notice must be received by BCP Asset Management Limited at 71 Upper Leeson Street, Dublin 4 within two weeks of your application but no later than 25th November 2011.

## 6. Withdrawals

- 6.1 Withdrawals may only be made from the Bond on the Early Exit Date or at the end of the Term.
- 6.2 BCP will contact you in advance of the Early Exit Date to remind you of the early encashment facility and to provide you with an indicative exit price and reinvestment opportunities available at that time. As capital security is provided only at the end of the Term, the realisable value of the capital withdrawal may be more or less than its initial value, depending on whether the growth earned by the Bond is greater or less than the early exit break costs. The early exit price will be determined by BCP and the Bank.
- 6.3 In the event of death of the ARF/AMRF holder prior to the expiry of the Term:
  - a) the ARF/AMRF may be transferred into the names of the deceased investor's spouse, or dependent(s) subject to the legislation governing ARFs/AMRFs, or
  - b) the ARF/AMRF may be redeemed, subject to normal probate regulations and legislation governing ARFs/AMRFs, 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, prevailing interest rates at the time, and the remaining term to maturity. The amount redeemed may be more or less than the remaining capital secured.
- 6.4 For ARFs and AMRFs set up on or after 6th April 2000, investment proceeds will be repaid without deduction of tax. ARF proceeds will be available for drawdown as income (subject to tax as applicable) or for re-investment within your retirement fund. Depending on your circumstances, AMRF proceeds may or may not be available for drawdown. For ARFs and AMRFs set up before 6th April 2000, investment proceeds will be subject to tax as applicable. Under the 2011 Finance Act, tax will be charged on imputed withdrawals of 5% per annum from 2010 onwards. 15% of the original investment amount will be retained in an interest bearing account to facilitate investor withdrawals and/or tax liabilities for the years 2011, 2012 and 2013. BCP will retain a further 10% of the original investment amount after three years in December 2014 to facilitate investor withdrawals and/or tax liabilities for 2014, 2015 and part of 2016. The remainder of the 2016 withdrawal (and/or any prior year where funded by BCP) will be deducted from the maturity proceeds in March 2017. This applies to ARFs only, which were first established on or after 6th April 2000 and where the beneficiary is aged 60 or over.

## 7. Interest

- 7.1 The Interest credited by the Bank to the 5 year 3 month deposit on maturity is based on the performance of the Fund from 2nd December 2011 to 2nd March 2017.
- 7.2 If the performance of the Fund is negative, you will receive 100% of the amount invested in the Bond less the nominal value of any withdrawals on the Early Exit Date.
- 7.3 Performance (gain or loss) for the Bond is calculated as  $[\text{Final Price} - \text{Initial Price}] / \text{Initial Price} \times 90\%$  where (1) the Initial Price of the Fund will be the closing level of the Fund on 2nd December 2011 or the next business day for the Fund; (2) the Final Price is the simple average of the Fund values taken at monthly intervals from and including 2nd March 2016 to and including 2nd March 2017 or the next business day for the Fund. Where a closing level cannot be obtained due to market disruption affecting the Fund or a non-occurrence of a Fund business

day on any of the above dates, the closing level of the affected Fund will be taken on the next business day unaffected by such event or, if such event continues for an extended period of time, will be estimated by BCP after consultation with the Bank.

- 7.4 Should any substantial changes to the Fund or a hedging disruption occur during the Term of the Bond, BCP shall be entitled, at its absolute discretion, to change the underlying fund, to unwind the Bond at the then current market value or to suspend operations of the Bond during any period in which such event continues and thereafter until the end of the Term. On suspension, the Bank shall arrange for the investment accrued to be placed on deposit for the aforesaid period, on terms to be agreed between BCP and the Bank at their absolute discretion. BCP will notify the investors of the occurrence of any such event in such manner as BCP deem appropriate. Neither BCP, the Bank, nor their agent(s) shall be liable for any loss howsoever suffered by the investor if there is any total or partial failure of performance resulting from any such event or any other causes beyond the control of BCP, the Bank or their agent(s).
- 7.5 For ARFs and AMRFs set up on or after 6th April 2000, interest will be paid without deduction of Deposit Interest Retention Tax ("DIRT"). For ARFs and AMRFs set up before 6th April 2000, DIRT will be deducted in accordance with the appropriate tax legislation and at the rate prevailing on maturity, currently 30%.
- 7.6 Unless by special arrangement for sums in excess of €100,000, no interest will be paid to you in relation to the period up to 9th December 2011.

## 8. Fees

There are no additional fees for administering the ARF or AMRF contract. A fee for structuring and distributing the product is incorporated in the cost of setting up the Bond and is reflected in the terms of the investment.

## 9. Maturity

BCP will contact you before the Bond matures to advise of repayment and reinvestment opportunities available at that time. At maturity on 9th March 2017, BCP will, following receipt of your instructions, instruct the Bank to issue a cheque payable to your ARF/AMRF account amounting to the remaining capital sum secured together with any Interest earned OR reinvest the proceeds as instructed. If for any reason Interest on the Bond cannot be determined by the maturity date, the Bank will pay the remaining capital sum secured and Interest 2 business days after the Interest can be determined.

Any imputed withdrawals funded by the Qualifying Fund Manager ("QFM") over the Term of the Bond along with any interest payable thereon will be deducted from the maturity proceeds before reinvestment or transfer. Withdrawals funded by the QFM will be funded at a rate of the prevailing ECB rate + 2.5%.

## 10. Confidentiality

BCP and the Bank observe a strict duty of confidentiality about your financial affairs. Save at your request or with your consent, neither BCP nor the Bank will disclose any details relating to your investment to anyone else other than in the following circumstances:

- to comply with a Court Order.
- to comply with a direction or request from a statutory or regulatory body entitled to such details.
- in accordance with any applicable legislation.

## 11. Data Protection

Both BCP and the Bank are registered under the Data Protection Acts 1988 and 2003 and your personal data held by BCP and the Bank will be maintained in accordance with the obligations of the Acts and subsequent legislation.

## 12. Client Asset Accounts

This product is deposit based and Bank of Ireland is the underlying deposit taker. Client asset accounts contain funds which are pooled with other clients' funds. Investors do not have a claim against a specific sum in a specific amount, the claim is against the client assets pool in general. Funds are not afforded protection under the Client Asset Requirements until they are swept from the clearing account at the bank into the BCP client asset account.

## 13. Cancellation

If total funds received from investors at the closing date are deemed to be insufficient, BCP reserves the right not to proceed with the Bond issue and to repay investors.

## 14. Variation

These Terms and Conditions may be changed if a decision, recommendation or change is made by a Court, Regulator, Ombudsman or by legislation. BCP will notify you personally of any changes and will endeavour to give you at least 1 month's notice.

## 15. Bond Operation

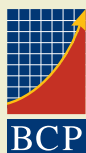
Neither BCP, the Bank nor their agent(s) will be liable for any loss you may suffer if BCP, the Bank or their agent(s) is prevented from providing any service as a result of industrial action, power failure or other cause beyond the reasonable control of BCP, the Bank or their agent(s). The Bank acts as deposit taker and is not liable for the responsibilities of BCP to you in relation to the Bond or for any information provided to you by BCP. The Bank is not offering financial or tax advice to BCP or investors. It does not make any representation, express or implied, as to the investment terms or the performance of the Bond. Any such statements herein, as well as all other statements regarding the Bond, are the sole responsibility of BCP.

## 16. Governing Law and Jurisdiction

These Terms and Conditions are governed by and shall be construed in accordance with the laws of Ireland. By signing the application form for the Bond, you agree that any dispute may be resolved by the courts of Ireland.

## 17. Guarantee Scheme - DGS

This product is deposit based and Bank of Ireland is the underlying deposit taker. The provisions of the Irish Deposit Guarantee Scheme (DGS) may apply, dependent on your circumstances. Details of the DGS are available at [www.itsyourmoney.ie](http://www.itsyourmoney.ie). As capital security only applies at maturity, the amount recoverable under the DGS prior to maturity may be more or less than the capital secure amount, and will principally depend on the time left to maturity, the prevailing interest rates at the time, and the value of the underlying assets.



Asset Management  
Serving investors since 1989

### BCP Asset Management Limited

71 Upper Leeson Street, Dublin 4, Ireland.

Tel (01) 668 4688 Fax (01) 668 4246

Email [invest@bcp.ie](mailto:invest@bcp.ie) Web [www.bcp.ie](http://www.bcp.ie)

BCP Asset Management Limited is regulated by the Central Bank of Ireland. Bank of Ireland is regulated by the Central Bank of Ireland.

Agent Stamp

Advisor's Name:

CLOSING DATE: 25<sup>TH</sup> NOVEMBER 2011