



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3

**A CAPITAL SECURE BOND THAT AIMS TO PROVIDE ABSOLUTE  
EQUITY RETURNS WITH LOW VOLATILITY**

- Underlying fund has a proven track record of consistent returns and low volatility
- 200% or 100% Participation in the Fund Performance which is added to the capital secure amount
- Capital Security of **90%** or **95%** provided at maturity by Investec Bank plc (Irish Branch)
- Investment Term 5 years
- 3 year Early Exit opportunity (Capital Security does not apply)
- **Closing Date 14th December 2016**
- Minimum Investment €20,000



**BCP** SERVING INVESTORS FOR NEARLY 50 YEARS  
[www.bcp.ie](http://www.bcp.ie) [invest@bcp.ie](mailto:invest@bcp.ie)



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3

The BCP Global Equity Absolute Return Bond 3 offers investors access to the performance of a fund which targets positive investment returns in different market cycles, with the additional benefit of 90% or 95% capital security provided by Investec Bank plc (Irish Branch) at maturity. The Bond will pay investors a return based on the performance of the Old Mutual Global Equity Absolute Return (GEAR) Fund ("the Fund") over the 5 year investment Term. There is no cap on the maximum return that can be earned from the Bond.

## ABOUT OLD MUTUAL GLOBAL INVESTORS (OMGI)

OMGI is a UK private asset management company with origins dating back to 1984. It is a wholly owned subsidiary of Old Mutual plc, a FTSE 100 listed company. Old Mutual plc is a leading international banking and investment group that has been serving insurance and investment customers for over 165 years. OMGI currently employs over 240 people and has assets under management of over €30bn. OMGI manages a range of funds for investors that cover all major asset classes including equities, multi-asset and alternatives.

## SUMMARY OF THE OLD MUTUAL GEAR FUND

- Market neutral portfolio of global equities
- Target return of cash plus 6% net of fees
- Target volatility of 5-6%
- Past performance of CAR 6.3% since launch in 2009
- Aiming to achieve absolute returns that are independent to global equity and bond markets
- Fund has a flexible and dynamic investment approach
- Fund targets a stable risk/return profile

## THE INVESTMENT STRATEGY

The objective of the Fund is to achieve capital appreciation while closely controlling risk. The fund managers believe that markets are not fully efficient and that share prices diverge from their fundamental value due to investors' behavioural biases. The Old Mutual team builds a diversified portfolio of companies that is expected to outperform in the current macroeconomic environment while applying stringent risk-management techniques and maintaining strict limits on sector and stock positions.

Each stock in the investment universe is evaluated based on 5 key characteristics to determine whether the company is suitable for inclusion in the fund and how much weight it should be given if selected. As a result the investment strategy is a blend of value, growth, momentum and quality and this blend will vary depending on the prevailing market environment.



**1. Dynamic Valuation:** The Fund blends a sophisticated valuation model with measures of stock quality and seeks attractive valuations considering both historic and forecast information.

**2. Sustainable Growth:** The Fund seeks strong but stable growth characteristics and protection from downturns in economic growth cycles.

**3. Analyst Sentiment:** Markets react to analyst predictions. The Fund captures behavioural aspects of the reaction to analyst forecasts, and highlights short-term opportunities.

**4. Company Management:** Evidence of strong management teams making good investment decisions and efficient use of capital.

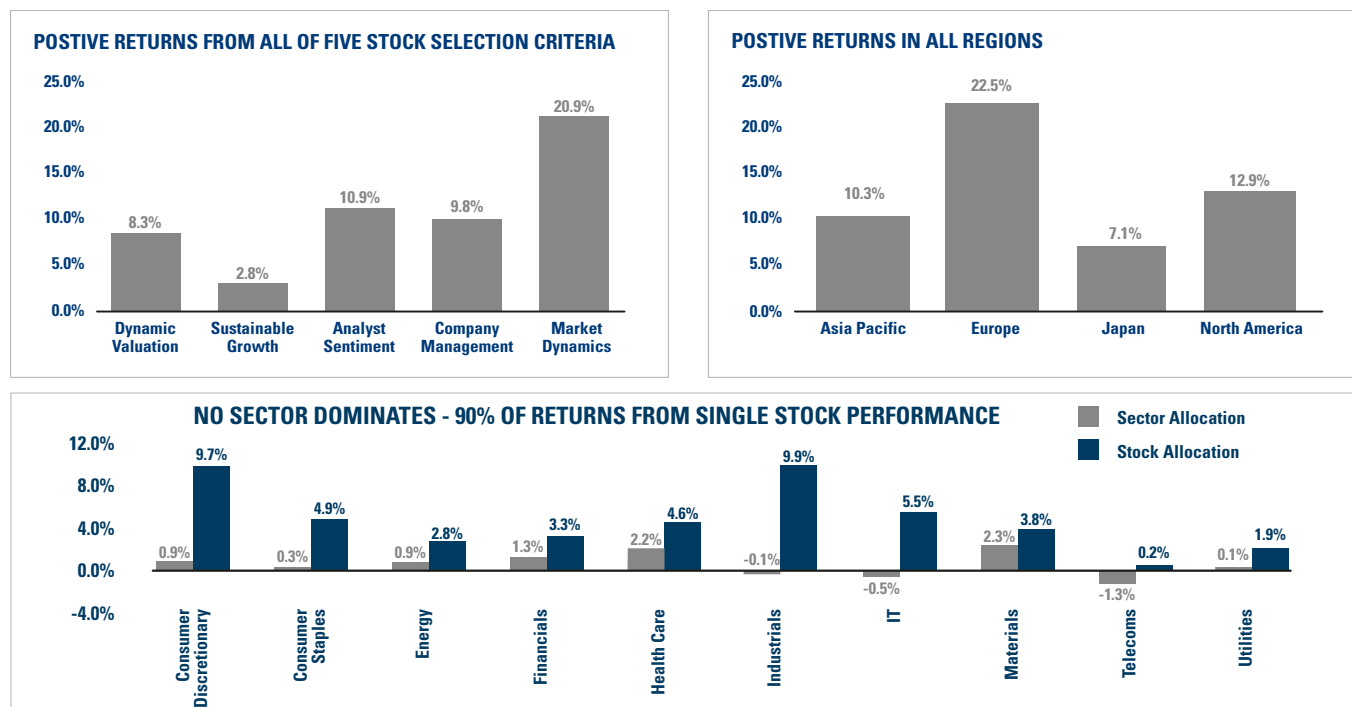
**5. Market Dynamics:** The Fund looks for stable trends that are likely to persist and avoiding bubbles by looking for trends with fundamental support.

# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3

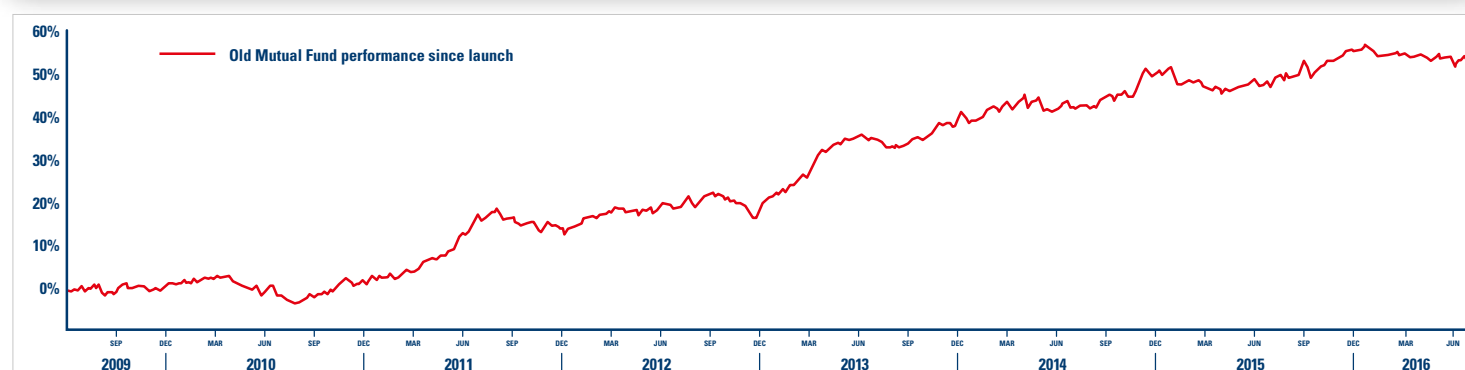
## WHY AN ABSOLUTE RETURN GLOBAL EQUITY STRATEGY?

Global equity markets rallied strongly from the bottom of the financial crisis in March 2009 up to the middle of 2015. Since then markets have endured higher levels of volatility as concerns have arisen over the strength of the global economic recovery. This volatility has led to large withdrawals from the equity markets over short periods of time and given the uncertainty surrounding future equity market growth we believe it is an appropriate time within a diversified portfolio to make an allocation to an absolute return global equity strategy that targets moderate and consistent positive returns at low levels of volatility.

## KEY DRIVERS OF OLD MUTUAL GEAR FUND PERFORMANCE SINCE LAUNCH



Source: OMGI as at 30/06/2016. Fund launch date: 01/07/2009.



|                     | Performance | Dates                   |
|---------------------|-------------|-------------------------|
| Average 5 year Perf | 46.7%       | 01/07/2009 – 31/07/2016 |
| Best 5 year Perf    | 54.9%       | 30/08/2010 – 27/08/2015 |
| Worst 5 year Perf   | 35.1%       | 19/07/2011 – 15/07/2016 |
| Recent 5 year Perf  | 35.6%       | 02/08/2011 – 31/07/2016 |

Source: Bloomberg as of July 31st 2016. Performance is shown net of fees and gross of taxation. Performance shown represents the OMEIEHA share class of the Fund which launched July 1st 2009. The BCP Bond tracks the OMEAEHA share class of the Fund which launched November 25th 2011. Both share classes are identical except for the level of fees charged. The OMEAEHA share class has annual management charge of 1.5% whereas the OMEIEHA has an annual management charge of 0.75%. We have chosen to show the share class with the longest track record to give the most accurate representation of fund performance over the longest possible timeframe.

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

AVAILABLE TO | INVESTMENT | PENSION | ARF/AMRF | INVESTORS



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3

REVIEW YOUR PORTFOLIO ONLINE  
[crm.bcp.ie](http://crm.bcp.ie)



INVESTORS HAVE TWO BOND VERSIONS TO CHOOSE FROM WITHIN THIS STRUCTURE. THESE HAVE BEEN DESIGNED TO CATER FOR VARYING RISK AND RETURN REQUIREMENTS OF INDIVIDUAL INVESTORS:

## BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3 **GROWTH PLUS VERSION**

At the end of the 5 year Term, the Growth Plus Version will pay 90% of the Remaining Capital invested plus 200% of the Performance achieved by the Old Mutual Global Equity Absolute Return (GEAR) Fund over the investment term. There is no limit to the maximum return that can be earned from this Bond. If the Performance of the Old Mutual GEAR Fund is 40% over the term of the Bond, the return to investors will be 90% of the Remaining Capital invested plus 80% ( $40\% \times 200\%$ ) giving a Gross Return of 70%. As the 70% return in this case is above the 40% Performance Fee hurdle rate, a 2% Performance Fee will be deducted from the Gross Return and paid to BCP with a return of 68% paid to investors. This is equivalent to 13.6% per annum (CAR 10.9%) (40.1% after DIRT at 41% (CAR 7.0%)). Even if the Performance of the Fund is negative over the term of the Bond, 90% of the Remaining Capital invested will be returned.

## BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3 **GROWTH VERSION**

At the end of the 5 year Term, the Growth Version will pay 95% of the Remaining Capital invested plus 100% of the Performance achieved by the Old Mutual GEAR Fund over the investment term. There is no limit to the maximum return that can be earned from this Bond. If the Performance of the Old Mutual GEAR Fund is 40% over the term of the Bond, the return to investors will be 95% of the Remaining Capital invested plus 40% ( $40\% \times 100\%$ ) giving a Gross Return of 35%. As the 35% return in this case is above the 18% Performance Fee hurdle rate, a 1% Performance Fee will be deducted from the Gross Return and paid to BCP with a return of 34% paid to investors. This is equivalent to 6.8% per annum (CAR 6.0%) (20.1% after DIRT at 41% (CAR 3.7%)). Even if the Performance of the Fund is negative over the term of the Bond, 95% of the Remaining Capital invested will be returned.

## PERFORMANCE FEES

If at the end of the 5 year term the Gross Return of the Bond is between 18% and 39.99%, then a Performance Fee of 1% will be deducted from the Gross Return and paid to BCP. If at the end of the Term the Gross Return of the Bond is 40% or greater, then a Performance Fee of 2% will be paid to BCP in respect of that version. If you encash part/all of your investment at the 3 year Early Exit Date and the gross return of the Bond is between 11% and 23.99%, then a Performance Fee of 0.6% will be deducted from the gross return and paid to BCP (1.2% if the gross return of the Bond is 24% or greater). The Performance Fee is paid in addition to the initial fee paid to BCP and your intermediary, where applicable, as described in the Key Features on page 6.

## EARLY EXIT OPTION

BCP has negotiated an early exit facility whereby you may encash your entire investment on the 3rd anniversary of the Bond at its realisable value, subject to a minimum of €10,000 per Version. Capital security will not apply to this encashment. The realisable value of the capital withdrawal may be more or less than the capital secure amount, depending on whether the growth earned by the Bond is greater or less than the early exit break costs.

**Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment. Warning: The figures above are provided only to illustrate how the Bond works; they should not be taken as an indication of potential returns. The return to you will depend on the version of the Bond you invest in and the actual Performance of the Fund which cannot be predicted in advance. Warning: The value of your investment may go down as well as up, you may get back less than you invest. Warning: If you encash at the 3 year Early Exit Date, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the capital secure amount. Warning: If you invest in this product, at maturity you could lose 5% (Growth Version) or 10% (Growth Plus Version) of the money you invest. Warning: If you invest in this product, you will not have any access to your money for 3 years and/or 5 years. Warning: The return on your investment in this product may be affected by changes in currency exchange rates.**

MINIMUM INVESTMENT €20,000 | CLOSING DATE 14TH DECEMBER 2016



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3



## APPLICATION FORM (PLEASE COMPLETE IN BLOCK CAPITALS)

### CUSTOMER INFORMATION

- Investment advice was provided by: ..... Intermediary ☐ BCP ☐ Investment advice not provided ☐
- My/Our investment knowledge is ..... Limited ☐ Good ☐ Extensive ☐
- My/Our investment objective is capital growth.
- I/We do not require an income from this investment.
- I/We authorise my/our advisor to view details of my/our account online.
- I/We agree to receive valuations and other communications from BCP online via [crm.bcp.ie](http://crm.bcp.ie)
- I/We confirm that I/we understand that the product is produced and issued solely by BCP and the Bank acts as deposit taker only and has no responsibility to me/us for the information in this brochure or the product performance and that the Bank's general terms and conditions apply to all accounts.
- For Foreign Account Tax Compliance Act (FATCA) purposes: Are you a Citizen, or resident for tax purposes, of the United States of America.  
**Applicant A:** Yes ☐ No ☐ **Applicant B:** Yes ☐ No ☐  
If the answer to either of the above questions is Yes, you must provide us with a completed W9 Form in respect of each applicable Account Holder.
- For Common Reporting Standard purposes: Are you a resident of any country or territory other than Ireland for tax purposes?  
**Applicant A:** Yes ☐ No ☐ **Applicant B:** Yes ☐ No ☐  
If Yes, please list below all countries/territories in which you are resident and provide the relevant Tax Identification Number(s) (TIN):  
**Applicant A:** Country/Territory \_\_\_\_\_ Tax Identification Number \_\_\_\_\_  
**Applicant B:** Country/Territory \_\_\_\_\_ Tax Identification Number \_\_\_\_\_

I/We hereby apply for the BCP Global Equity Absolute Return Bond 3 with BCP Asset Management DAC in the name/s of

- (a) Name (Mr/Ms) \_\_\_\_\_ Date of Birth \_\_\_\_\_ Occupation \_\_\_\_\_  
Country of Birth \_\_\_\_\_ Place of Birth (Town/City) \_\_\_\_\_
- (b) Name (Mr/Ms) \_\_\_\_\_ Date of Birth \_\_\_\_\_ Occupation \_\_\_\_\_  
Country of Birth \_\_\_\_\_ Place of Birth (Town/City) \_\_\_\_\_

Applicant (if different from above) \_\_\_\_\_

Address \_\_\_\_\_

Tel: Day \_\_\_\_\_ Mobile \_\_\_\_\_

Source of Wealth \_\_\_\_\_ PPS Number a) \_\_\_\_\_ b) \_\_\_\_\_

Taxation classification\*: DIRT ☐ Other ☐

\* Tick one of the above as appropriate. Additional documentation will be required for corporate, pension, charity, qualifying investors aged 65 years or over and non resident applicants.

### INVESTMENT AMOUNT

BCP Global Equity Absolute Return Bond 3 - Growth Plus Version € \_\_\_\_\_ (Minimum €10,000)

BCP Global Equity Absolute Return Bond 3 - Growth Version € \_\_\_\_\_ (Minimum €10,000)

**TOTAL INVESTMENT** € \_\_\_\_\_ **(Minimum €20,000)**

### PLEASE MAKE CHEQUES PAYABLE TO 'INVESTEC BANK PLC'

Payment by: Bank Draft ☐ Credit Union Draft ☐ Other \_\_\_\_\_

Bank/Building Society/Credit Union Name: \_\_\_\_\_

Account Name: \_\_\_\_\_ BIC: \_\_\_\_\_ IBAN: \_\_\_\_\_

### DECLARATION

I/We confirm that I/we have read and understand the Terms and Conditions as set out in the Brochure and the Key Features and agree to be bound by them.

I/We hereby request and authorise BCP to give effect to any written request, direction or instruction relating to the Bond on the signature(s) of me/us and

I/We declare that this authorisation, unless terminated by my/our death or by operation of law, shall remain in full force and effect until the end of the 5 year Term.

I/We acknowledge that no interest will be paid to me/us in relation to the period up to 21st December 2016 (see Term & Condition 7.10).

I/We authorise BCP to hold my/our personal data on file, to contact me/us in writing, by telephone or by email in respect of financial services matters.

I/we consent that my/our personal information can be used by BCP Asset Management DAC to provide information on new investment opportunities. Tick box if applicable ☐

I/We confirm we have received the BCP Client Asset Key Information Document.

I/We acknowledge receipt of the Information Sheet and Exclusions List document which explains how the UK Financial Services Compensation Scheme works.

I/We undertake to advise BCP and the Bank promptly of any change in circumstances which causes the information contained herein to become incorrect or incomplete and to provide BCP and the Bank with an updated declaration within 30 days of such a change in circumstances.

I/We declare that the information provided in this form is, to the best of my/our knowledge and belief, accurate and complete.

I/We understand that if Investment Advice is not provided that neither BCP nor my/our Intermediary has the information necessary to determine the suitability of this investment for me/us.

### SIGNED (all Bond holders must sign)

Signature (a) \_\_\_\_\_ Date \_\_\_\_\_

Signature (b) \_\_\_\_\_ Date \_\_\_\_\_

Email address for [crm.bcp.ie](http://crm.bcp.ie) registration to view your account online: \_\_\_\_\_ [Required]

AGENT STAMP

Advisor's Name

**NEW AND EXISTING CLIENTS** Confirmation of identity must be provided in accordance with Section 2 of the Terms and Conditions.

**Warning:** The value of your investment may go down as well as up, you may get back less than you invest. **Warning:** If you encash at the 3 year Early Exit Date, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the capital secure amount. **WARNING:** If you invest in this product, at maturity you could lose 5% (Growth Version) or 10% (Growth Plus Version) of the money you invest. **Warning:** If you invest in this product, you will not have any access to your money for 3 years and/or 5 years. **Warning:** The return on your investment in this product may be affected by changes in currency exchange rates.

# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3

## KEY FEATURES



### HOW DOES THE BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3 WORK?

The product producer of the BCP Global Equity Absolute Return Bond 3 is BCP Asset Management DAC, 71 Upper Leeson Street, Dublin 4.

Your entire investment is allocated to a 5 year Global Equity Absolute Return Bond. At the end of the 5 year Term, the percentage performance (gain or loss) of the Fund is calculated. This performance will then be multiplied by 200% (Growth Plus Version) or 100% (Growth Version), to determine the interest to be added to the Remaining Capital secure amount in each bond version. The Growth Plus and Growth Versions offer 90% and 95% capital security respectively.

**SUITABILITY** | The Bond is not suitable for investors who require regular income or require access to their capital before maturity. The Bond is suitable only as a capital growth investment. The return on the Bond will depend on the Performance of the Fund and will only be determined at the end of the term. No withdrawals may be made before the Early Exit Date on 23rd December 2019, or at maturity of the Bond on 21st December 2021. Your money is not invested in the Fund, therefore, you do not benefit from any dividends paid by the Fund, but you will benefit from the dividends and income earned within the Fund during the term of the Bond. In order to protect the performance of the Fund from volatility towards the end of the term, the Final Price will reflect the average price of the Fund on a monthly basis over the final 18 months of the 5 year Term. The effect of averaging is to protect returns in a falling market but conversely it may restrict growth in a rising market. A Performance Fee of 1% will be deducted if the Gross Return of a Bond Version is between 18% and 39.99% at maturity. If the Gross Return of a Bond Version is 40% or higher then a Performance Fee of 2% will be paid to BCP at maturity. If you avail of the early exit option after 3 years and the gross return of a Bond Version is between 11% and 23.99%, a Performance Fee of 0.6% will be deducted from the gross return and paid to BCP (1.2% if the gross return of the Bond is 24% or higher). The return on your investment in this product may be affected by changes in currency exchange rates.

**CAPITAL SECURITY** | Capital security at maturity is provided by Investec Bank plc. (Irish Branch). In the event Investec fails to meet its liabilities, you could lose some or all of your money if your investment is not fully covered by the UK Financial Services Compensation Scheme (FSCS). See section 19 of the Terms and Conditions for further details.

### WHERE DOES MY INVESTMENT IN THE BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 3?

The paragraph below displays how the investment is structured for a hypothetical €10,000 investor.

#### GROWTH VERSION

The Growth Version provides 95% capital security by placing 91.66% or €9,166 of your investment amount on deposit. This amount will grow to 95% or €9,500 by the end of the 5 year Term. The Bond offers a return of 100% of the positive Performance of the underlying Fund, less the 5% capital at risk, less any Performance Fee. 4.50% or €450 of your investment amount will be used to purchase this return.

If the Performance of the Fund is negative at the end of the 5 year Term, you will receive 95% of your Remaining Capital invested. This payment represents a 5% (CAR -1.0%) loss on your investment over the period.

BCP will receive a fee of 1.84% or €184 for manufacturing, distributing and administering the Bond, equivalent to 0.37% per annum. A fee of 2.0% or €200 is payable to your intermediary, equivalent to 0.40% per annum; this is payable to BCP if you do not deal with us through an intermediary. As described previously on page 4, a Performance Fee of 1% will be paid to BCP in addition to the fees above if the Gross Return on this version of the Bond is between 18% and 39.99% at maturity. If the Gross Return on this version of the Bond is 40% or more then a Performance Fee of 2% will be paid to BCP at maturity. If you avail of the early exit option after 3 years and the gross return of the Bond is between 11% and 23.99%, a Performance Fee of 0.6% will be deducted from the gross return and paid to BCP (1.2% if the gross return of the Bond is 24% or greater).

#### GROWTH PLUS VERSION

The Growth Plus Version provides 90% capital security by placing 86.97% or €8,697 of your investment amount on deposit. This amount will grow to 90% or €9,000 by the end of the 5 year Term. The Bond offers a return of 200% of the positive Performance of the underlying Fund, less the 10% capital at risk, less any Performance Fee. 9.00% or €900 of your investment amount will be used to purchase this return.

If the Performance of the Fund is negative at the end of the 5 year Term, you will receive 90% of your

Remaining Capital invested. This payment represents a 10% (CAR -2.1%) loss on your investment over the period.

BCP will receive a fee of 2.03% or €203 for manufacturing, distributing and administering the Bond, equivalent to 0.41% per annum. A fee of 2.0% or €200 is payable to your intermediary, equivalent to 0.40% per annum; this is payable to BCP if you do not deal with us through an intermediary. As described previously on page 4, a Performance Fee of 1% will be paid to BCP in addition to the fees above if the Gross Return on this version of the Bond is between 18% and 39.99% at maturity. If the Gross Return on this version of the Bond is 40% or more then a Performance Fee of 2% will be paid to BCP at maturity. If you avail of the early exit option after 3 years and the gross return of the Bond is between 11% and 23.99%, a Performance Fee of 0.6% will be deducted from the gross return and paid to BCP (1.2% if the gross return of the Bond is 24% or greater).

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

You may encash your entire investment on the 3rd anniversary of the commencement date of the Bond (23rd December 2019) at its realisable value, subject to a minimum of €10,000. As capital security is provided only at the end of the 5 year Term, the realisable value of the capital withdrawal may be more or less than the capital secure amount, 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 your entire investment (subject to a minimum of €10,000 per Version) at its realisable value or to switch your early exit proceeds to a new investment. You have the right to cancel your application for the Bond within two weeks of the date you sign it but no later than the Closing Date.

#### WHAT HAPPENS IF I DIE BEFORE THE BOND MATURES?

In the event of the death of a sole investor prior to the expiry of the Term:

- the Bond may be transferred into the name(s) of the deceased investor's personal representatives or of any other person nominated by such personal representatives, or
- the Bond may be redeemed, subject to normal

probate 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, the term to maturity, and the prevailing interest rates at the time. The amount redeemed may be more or less than the Remaining Capital secure amount.

Where the Bond is held in joint names it will, upon the death of one of the investors and upon production of such evidence of death as BCP or the Bank may require, be transferred into the name(s) of the surviving investor(s).

Where an investment is made on behalf of a self-directed or self administered pension plan, in the event of death of a member prior to the expiry of the term, the Bond may be redeemed at its realisable value as determined by BCP based on a calculation by the Bank which may be more or less than the Remaining Capital secure amount. The proceeds from such redemption will be paid to the trustees of the plan, or the investing Life Company as appropriate. Early redemption fees may apply on any early exit from this investment outside of the 3 year Early Exit Date.

#### WHAT ABOUT TAX?

Under current legislation, the gross interest earned on the Bond will be paid after deduction of DIRT at 41%. This will apply at maturity and will be deducted at source. However, certain non resident investors, credit unions, charities, pensions and companies may apply to receive returns gross without deduction of tax.

The Finance Act 2007 (as amended by the Finance Act 2011), allows the operation of DIRT free accounts for investors aged 65 years or over, whose income is under €18,000 or €36,000 for married couples.

Investors should satisfy themselves in relation to Revenue reporting requirements and the implications of non-disclosure.

PRSI may be payable on deposit interest earned. PRSI does not generally apply to individuals who have reached the State retirement age. Where applicable, the current PRSI rate is 4% which is payable by the investors in the relevant tax year.

## TERMS & CONDITIONS

### 1. DEFINITIONS

- 1.1 'you/your/investor' means the customer(s) who is/are investing funds in the BCP Global Equity Absolute Return Bond 3.
- 1.2 'the Bond' means the BCP Global Equity Absolute Return Bond 3 – Growth Plus Version and/or the BCP Global Equity Absolute Return Bond 3 - Growth Version provided by BCP in accordance with these Terms and Conditions.
- 1.3 The '5 year Term', 'Term' means the duration of the investment which is placed in the 5 year Bond commencing on 21st December 2016 and maturing on 21st December 2021.
- 1.4 'Interest' means the gross interest calculated in accordance with Section 7 below.
- 1.5 'the Bank', 'Investec' means Investec Bank Plc (Irish Branch) and its successors, assigns and transferees which is authorised by the Prudential Regulation Authority in the United Kingdom and is regulated by the Central Bank of Ireland for conduct of business rules. For the avoidance of doubt the Bank has no connection to the Fund or to Old Mutual Global Investors (OMGI), the manager of the Fund.
- 1.6 'BCP' means BCP Asset Management DAC and its successors, assigns and transferees.
- 1.7 'Accounts' means the individual accounts opened with the Bank in relation to the Bond.
- 1.8 The 'Fund' means the Old Mutual Global Equity Absolute Return (GEAR) Fund. The Bloomberg code is OMEAHA.
- 1.9 'Performance of the Fund' is defined in 7.2 below.
- 1.10 'Performance of the Bond Version' is defined in 7.3 below.
- 1.11 'Gross Return of the Bond Version' is defined in 7.4 below.
- 1.12 'Performance Fee' is defined in 7.5 below.
- 1.13 'Early Exit Date' refers to the 3 year anniversary of the Bond, being 23rd December 2019, on which you will have the option to withdraw your entire initial investment in the Bond at its realisable value, subject to a minimum withdrawal of €10,000.
- 1.14 'Remaining Capital' means the original capital invested less the nominal value of any withdrawals on the Early Exit Date.
- 1.15 'Averaging Dates' mean Average of the Underlying Fund values taken at monthly anniversaries of the Start Date from, and including, 21/06/2020 to 21/12/2021 on 21st of each month (19 observations).

### 2. CONFIRMATION OF IDENTITY - NEW & EXISTING CLIENTS

Further to the money laundering provisions of the Criminal Justice (Money Laundering & Terrorist Financing) Act, 2010 as amended clients must provide with their application (1) Original certified copy of signed 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 credit union, corporate, pension and charitable organisation applicants.

### 3. YOUR INVESTMENT

- 3.1 BCP will lodge your investment into a client asset account at the Bank in the name of BCP.

Client asset accounts contain funds which are pooled with other clients' funds. Investors have a claim against the client assets pool in a specific account. On the commencement date the funds will be transferred into an account in your name with the Bank. You will receive a confirmation from the Bank of your investment in the Bond. The Bank's general Terms & Conditions apply to all accounts, and are available at [www.investec.ie](http://www.investec.ie) or upon request from the Bank or BCP.

- 3.2 At the end of the Term, on advice from BCP, the Bank will pay (1) 90% of the Remaining Capital invested in the Growth Plus Version and/or (2) 95% of the Remaining Capital invested in the Growth Version together with any Interest earned on the Remaining Capital invested.
- 3.3 Your money is not invested in the Fund, therefore, you do not benefit from any dividends distributed by the Fund, but you will benefit from the dividends and income earned within the Fund during the term of the Bond.

### 4. AVAILABILITY

- 4.1 The closing date for applications is 14th December 2016, or earlier if fully subscribed (the 'Closing Date').
- 4.2 The minimum investment is €20,000.
- 4.3 The Bond is available to individuals who are aged 18 or over investing on their own behalf, credit unions, charitable bodies, companies and pension funds. Individuals under 18 may be facilitated by way of a flexible trust.

### 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 DAC at 71 Upper Leeson Street, Dublin 4 within two weeks of your application but no later than 14th December 2016.

### 6. WITHDRAWALS

- 6.1 Withdrawals may only be made from the Bond on the Early Exit Date on 23rd December 2019 or at maturity on 21st December 2021.
- 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 the Remaining Capital secure amount, 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 a sole investor prior to the expiry of the Term:
  - (a) the Bond may be transferred into the names of the deceased investor's personal representatives or of any other person nominated by such personal representatives, or
  - (b) the Bond may be redeemed, subject to normal probate regulations, at its realisable value as determined by BCP and the Bank, which may be more or less than the Remaining Capital secure amount.
- 6.4 Where the Bond is held in joint names, it will, upon the death of one of the investors and upon production of such evidence of death as

BCP or the Bank require, be transferred into the name(s) of the surviving investor(s).

- 6.5 Where an investment is made on behalf of a self directed or self administered pension plan, in the event of death of a member prior to the expiry of the Term, the Bond may be redeemed, subject to the terms of the rules of the underlying scheme or policy, at its realisable value as determined by BCP and the Bank which may be more or less than the Remaining Capital secure amount. The proceeds from such redemption will be paid to the trustees of the plan, or the investing Life Company as appropriate.
- 6.6 Early redemption fees may apply to early exits other than on the 3 year Early Exit Date of 23rd December 2019.

### 7. INTEREST

- 7.1 The Interest credited by the Bank to the 5 year deposit on maturity is calculated as the Performance of the Bond less the Performance Fee, and is calculated in accordance with 7.2, 7.3, 7.4 and 7.5. This Interest will be added to the Remaining Capital secure amount to calculate the final return. The final return on the Early Exit Date is calculated as the gross realisable value less the nominal value less any Performance Fee.
- 7.2 Performance of the Fund is calculated as (Final Price – Initial Price) / Initial Price where (1) the Initial Price of the Fund is the closing level of the Fund on 21st December 2016 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 21st June 2020 to 21st December 2021 or the next business day of the Fund.
- 7.3 Performance of the Bond Version is calculated as (Performance of the Fund x Participation) where Participation for the Growth Plus Version is 200% and Participation for the Growth Version is 100%.
- 7.4 Gross Return of the Bond Version is calculated as (Performance of the Bond Version – Capital at Risk) where Capital at Risk is 10% for the Growth Plus Version and 5% for the Growth Version.
- 7.5 The Performance Fee is 1% where the Gross Return at maturity for that Bond Version is between 18% and 39.99% (i.e. the gross realisable value is between 118% and 139.99% of the Remaining Capital invested). If the Gross Return of the Bond is 40% or higher then a Performance Fee of 2% will be paid to BCP at maturity (i.e. the gross realisable value is at least 140% of the Remaining Capital invested). If you avail of the early exit option after 3 years and the gross realisable value of the amount encashed for each Bond Version is between 111% and 123.99% of the nominal amount, a Performance Fee of 0.6% will be deducted from the gross realisable value and paid to BCP at that time (1.2% if the gross realisable value is 124% or greater).
- 7.6 If the Performance of the Fund is negative, at maturity you will receive 90% of the Remaining Capital invested in the Growth Plus Version and 95% of the Remaining Capital invested in the Growth Version.
- 7.7 Should any event occur during the 5 year Term which in BCP's absolute discretion constitutes a substantial change to the Fund, force majeure or hedging disruption, BCP shall be entitled to substitute the Fund with another 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 5 year 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).

- 7.8 Should an adjustment event occur during the 5 year Term which affects the valuation of the Fund, BCP shall be entitled, after consultation with the Bank and at its absolute discretion, to adjust any relevant terms of the Bond to preserve the economic equivalent of your investment prior to the occurrence of such event.
- 7.9 The final return will be paid after deduction of Deposit Interest Retention Tax ('DIRT') where applicable. DIRT to be deducted will be calculated in accordance with the appropriate tax legislation currently 41%. All necessary DIRT exemption documentation is required to be in place prior to interest payments.
- 7.10 No interest will be paid to you in relation to the period up to 21st December 2016.

### 8. MATURITY

BCP will contact you before the Bond matures to advise of repayment and reinvestment opportunities available at that time. At maturity on 21st December 2021, BCP will, following receipt of your instructions, instruct the Bank to issue and send individual customer cheques to BCP amounting to the Remaining Capital secure amount together with any Interest earned OR reinvest the proceeds as instructed. If at this time it is the Bank's policy to process maturity payments electronically, payment may be made by this method instead of by cheque. If for any reason Interest on the Bond cannot be determined by the maturity date, the Bank will pay the Remaining Capital secure amount and any Interest, 2 business days after the Interest can be determined. If you do not provide us with an instruction, matured funds will be held in your account. No interest will be paid to you on these maturity funds.

### 9. JOINT INVESTMENTS

Unless otherwise agreed in writing with BCP, the withdrawal of funds at the Early Exit Date and at maturity will require the consent of all account holders. Should you wish the Bank or BCP to provide statements separately to each account holder or should you wish to impose any limitations on the operations of the account, please advise BCP prior to investing in this product.

### 10. COMPLAINTS

Any complaint about the sale of the Bond should be made to your Adviser or the intermediary through whom you invested. A complaint about any other aspect of the Bond should be made to BCP. Any such complaint will be investigated in accordance with BCP's complaints policy, details of which are available from BCP. If you are dissatisfied with the handling of your complaint or the response to it you may refer the issue to the Financial Services Ombudsman or the Pensions Ombudsman, as appropriate by contacting the relevant office.

### 11. 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.

### 12. DATA PROTECTION AND CUSTOMER INFORMATION NOTICE

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.

We are obliged under Section 891e, Section 891f and Section 891g of the Taxes consolidation act 1997 (as amended) and regulations made pursuant to those sections to collect certain information about each account holders tax arrangements. Please note that in certain circumstances we may be legally obliged to share this information, and other financial information with respect to an investor's interests with relevant tax authorities. For further information on Foreign Account Tax Compliance Act (FATCA) or Common Reporting Standard (CRS) please refer to Irish revenue website at <http://www.revenue.ie/en/business/aeoi/index.html> or the following link: <http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/> in the case of CRS only.

### 13. CANCELLATION

If total funds received from investors at the Closing Date are deemed to be insufficient or hedging conditions are adverse, BCP reserves the right not to proceed with the issue of the Bond and to repay investors.

### 14. ASSIGNMENTS

Investor(s) may not transfer (either by assignment or by novation) or create any security over any or all its rights, interests and obligations in the Bond without the prior written consent of BCP and the Bank.

### 15. 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.

### 16. INVESTOR DEPOSIT ACCOUNTS

Your Account is held in the form of a fixed term deposit account in your name with the Bank, which is the ultimate provider of the capital secure portion of the investment. The maturity proceeds of your investment will be returned to you at the end of the Term and/or following any withdrawal at the Early Exit Date. Maturity proceeds are Remaining Capital secure amount plus Interest. The Account is 90% or 95% capital protected by the Bank at maturity. The Bank may enter into a derivative contract for the purpose of providing a return on your investment. This will not affect your investment in the Account.

### 17. 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 only and is not liable for the responsibilities of BCP to you in relation to the Bond, this brochure or for any other 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.

### 18. GOVERNING LAW AND JURISDICTION

Our relationship with you and 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. We will communicate with you in English at all times.

### 19. COMPENSATION SCHEME/CAPITAL SECURITY

Investec Bank Plc is a member of the UK Financial Services Compensation Scheme (FSCS) which can pay compensation to depositors if a bank is unable to meet its financial obligations. Your deposit in this account is eligible under the FSCS. Effective 1st January 2016, the compensation limit is £75,000 per person per institution (or £150,000 per joint account). Details of the scheme can be found in the FSCS Information Sheet and Exclusions list, which are also available at [www.investec.ie/FSCSinfo](http://www.investec.ie/FSCSinfo) or you can visit the FSCS website at [www.FSCS.org.uk](http://www.FSCS.org.uk).



BCP Asset Management DAC

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Investec Bank plc (Irish Branch) is authorised by the Prudential Regulation Authority in the United Kingdom and is regulated by the Central Bank of Ireland for conduct of business rules.