



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

**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
- **180%** or **90%** Participation in the Fund Performance which is added to the capital secure amount
- Capital Security of **90%** or **95%** provided at maturity by BNP Paribas SA (Rated A+/A1/A)
- Investment Term 5 years (Daily liquidity available)
- **Closing Date 15th September 2017**
- Minimum Investment €20,000



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# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

The BCP Global Equity Absolute Return Bond 6 offers investors access to the performance of a fund which targets positive investment returns in different market cycles, with the additional benefit of 95% or 90% capital security provided by BNP Paribas SA 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.

## BOND SUMMARY

<b>Target Market</b>	Individuals, Pensions, Charities, Corporates, ARF, AMRF, PRB, SSAP and PRSA investors, who receive investment advice. Investors will be treated as retail clients as categorised within the meaning of MiFID
<b>Aim of the Bond</b>	Provide investors with a hard protected capital secure investment tracking the performance of a leading absolute return global equity fund with high levels of capital protection and performance participation
<b>Investment Objective of Fund</b>	Positive performance in various market environments with lower levels of risk/volatility
<b>Underlying Fund</b>	Old Mutual Global Equity Absolute Return Fund
<b>Investor Choice</b>	<i><b>Growth Plus Version</b></i>
	180% Participation in the Fund Performance with 90% Capital Security
	<i><b>Growth Version</b></i>
	90% Participation in the Fund Performance with 95% Capital Security
<b>Provider of Capital Security at maturity</b>	BNP Paribas SA
<b>Issuer</b>	BNP Paribas Issuance B.V. (100% owned subsidiary of BNP Paribas)
<b>Investment Term</b>	5 Years
<b>Classification</b>	A BNP Paribas issued Certificate (Senior unsecured debt). A MiFID complex product
<b>Availability</b>	Personal Investors, Friends First SDIO, SSAP's, ARF's, AMRF's, PRB's, PRSA's, Corporates, Charities
<b>Listing</b>	Luxembourg Stock Exchange
<b>Liquidity</b>	Daily liquidity in normal market conditions
<b>Minimum Investment</b>	€20,000 (Only increments of €1,000 are accepted)
<b>Tax Treatment</b>	All investment returns will be paid gross of tax, please refer to page 6 for more details.

**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 encash before maturity, 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 and you may lose some or all of the money you invest. Liquidity is only available in normal market conditions. Warning: The return on your investment in this product may be affected by changes in currency exchange rates. Warning: If BNP Paribas were to default, you will lose some or all of your investment and potential returns. Warning: Current Irish taxation legislation does not allow for a clear tax categorisation of this product. There is a risk an alternative taxation basis may apply.**

SSAP is Small Self-Administered Pension. ARF is Approved Retirement Fund. AMRF is Approved Minimum Retirement Fund. PRB is Personal Retirement Bond. PRSA is Personal Retirement Savings Account.

**MINIMUM INVESTMENT €20,000 | CLOSING DATE 15TH SEPTEMBER 2017**

# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

## 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 294 people and has assets under management of €35bn. 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% since launch in 2009
- Aiming to achieve absolute returns that are independent of global equity and bond markets
- Fund has a flexible and dynamic investment approach
- Fund targets a stable risk/return profile

Source: OMGI as at 31/07/2017

## 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.

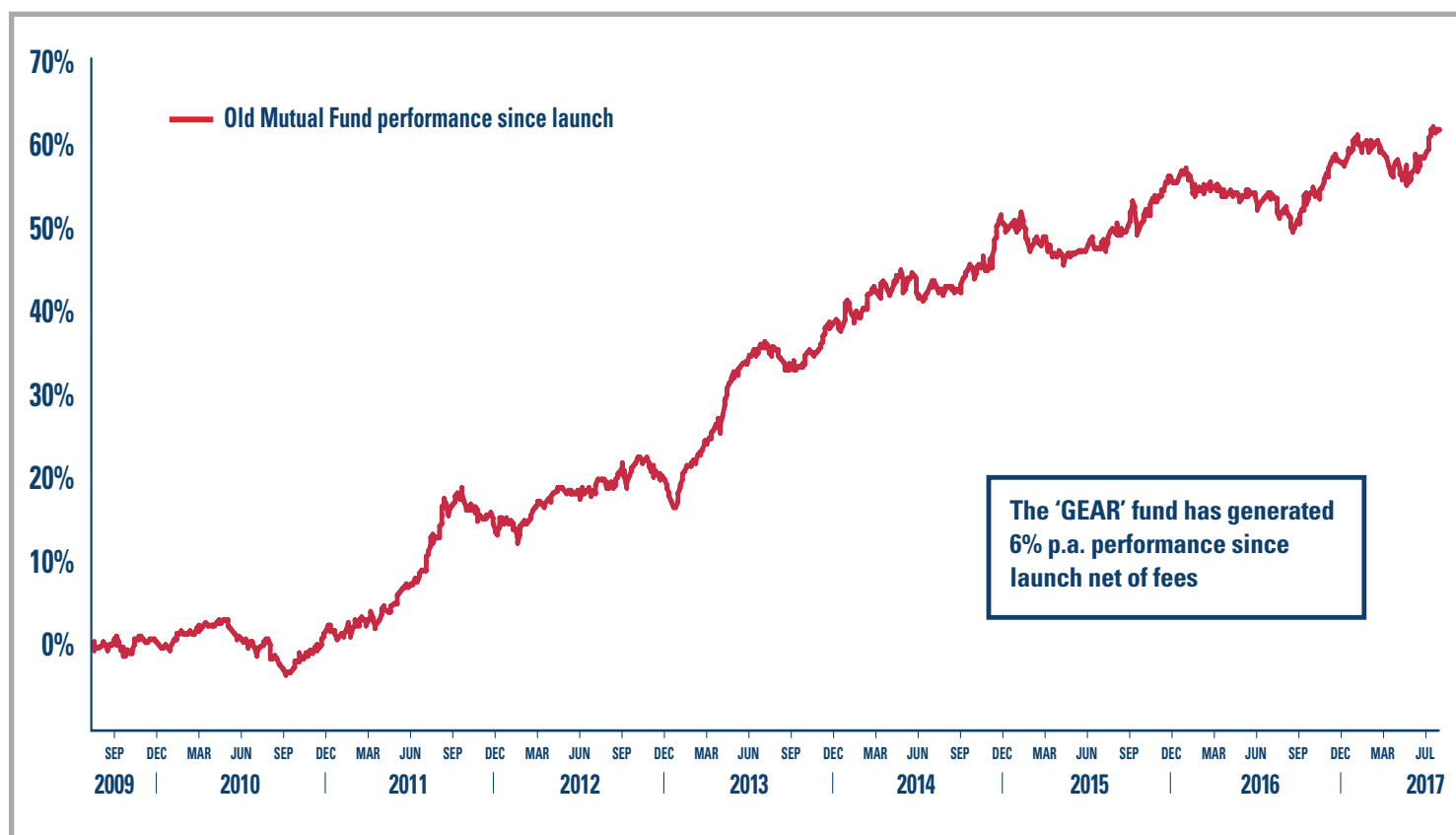
**5. Market Dynamics:** The Fund looks for stable trends that are likely to persist and avoiding bubbles by looking for trends with fundamental support.

## 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.



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6



	Performance	Dates
Average 5 year Perf	42.6%	01/07/2009 – 31/07/2017
Best 5 year Perf	55.4%	30/08/2010 - 27/08/2015
Worst 5 year Perf	26.1%	15/09/2011 - 15/09/2016
Recent 5 year Perf	35.7%	31/05/2012 – 31/07/2017

Source: Bloomberg as of July 31st 2017. 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.**

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**crm.bcp.ie**





# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6



## COUNTERPARTY SELECTION

BNP Paribas is the guarantor of the BCP Global Equity Absolute Return Bond 6. The Issuer is BNP Paribas Issuance B.V., which is a 100% owned subsidiary of BNP Paribas, and investors will have capital exposure to the senior counterparty risk of BNP Paribas. In the event of a senior debt default by BNP Paribas investors' capital is at risk.

BNP Paribas is ultimately responsible for the payment of any return of capital and any investment return due from the Certificate. As a result it is imperative that the counterparty has a strong and sound financial profile and high credit strength. Investors in the BCP Global Equity Absolute Return Bond 6 should familiarise themselves with the counterparty risk they are exposed to and the information below provides some of the key facts and figures behind BNP Paribas which led BCP to select them as the preferred Guarantor for this product.



### BNP PARIBAS

- BNP Paribas is one of the largest financial services groups in the world with more than 192,416 employees in 74 different countries.
- BNP Paribas market capitalisation as of the 7th July 2017 was €82 billion.
- BNP Paribas is a French credit institution (bank) authorised and supervised by the European Central Bank ('ECB') and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) (the French Prudential Control and Resolution Authority), regulated by the Autorité des marchés financiers (the French financial markets regulator) (AMF) and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the UK for its activity conducted in the UK.
- BNP Paribas current credit ratings as of 30th June 2017 are in the table below:

Credit Rating	Fitch	Moody's	Standard & Poor's
BNP Paribas	A+	A1	A

- BNP Paribas Issuance B.V. is a 100% owned subsidiary of BNP Paribas and will act as Issuer of the BCP Global Equity Absolute Return Bond 6.
- The return of your capital secure amount and any growth due is dependent on BNP Paribas paying back the amounts due under its obligations on the Certificate. Consequently, the investor bears a credit risk on the Guarantor. This is called Counterparty Risk or Credit Risk.
- BNP Paribas Issuance B.V. is the flagship issuer of BNP Paribas with over €30 billion EUR in outstanding issuances. Source: BNP Paribas, as of 30th June 2017.

**Warning: If BNP Paribas were to default, you will lose some or all of your investment and potential return.**

## CREDIT RATINGS

One of the factors you may wish to take into account when reviewing a counterparty is its long term credit ratings. These are the opinions of a range of credit rating agencies regarding the long term security of the counterparty.

A high rating of a counterparty from one or more of the credit rating agencies is not a guarantee that the Issuer will meet its obligation to pay the amount due from the Bond. Fitch, Moody's and Standard & Poor's are independent ratings agencies that research and grade the ability of financial and other institutions to make the payments due from the Securities issued and/or guaranteed by them.

By way of example, Standard & Poor's highest possible rating is AAA, followed by AA and A. These three ratings along with their BBB rating are generally regarded as investment grade (i.e. of higher quality). All of these ratings, except the AAA rating, can also be modified by a plus or a minus to give a counterparty's relative status within the grade; for example, A+, A, A- for the A rating. A rating outlook assesses the potential direction of a long term credit rating view over the intermediate term. The term considered varies between credit rating agencies; Fitch looks at a 12 to 24 month period, Standard & Poor's a 6 to 24 month period, while Moody's says its outlooks are 'over the medium term'. In determining a rating outlook, consideration is given to any changes in the economic and fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future credit watch action.

- Positive means that a rating may be raised.
- Negative means that a rating may be lowered.
- Stable means that a rating is not likely to change.
- Under review, either positive or negative means a rating may be raised or lowered in the short term.

All references to the credit rating are correct as at 30th June 2017. Credit ratings are subject to change during the offer period and during the term of the Bond. Ongoing information about the ratings of the Counterparty is available from BCP and we will, where appropriate, include information relating to credit ratings in your periodic valuation statements. Please refer to your financial adviser if you have any queries regarding credit ratings.



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

## HOW DOES THE BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6 WORK?

**YOUR** entire investment is allocated to the BCP Global Equity Absolute Return Bond 6. 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 180% (Growth Plus Version) or 90% (Growth Version), to determine the return to be added to the capital secure amount in each bond version. The Growth Plus and Growth Versions offer 90% and 95% capital security at maturity respectively. You may encash the BCP Global Equity Absolute Return Bond 6 before maturity, see section below headed "Do I have access to my Investment?".

**SUITABILITY** | The Bond is not suitable for investors who require regular income. The Bond is suitable only as a capital growth investment. The return on the Bond at maturity will depend on the Performance of the Fund and will only be determined at the end of the term. 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 any dividends 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%. If the gross return of a Bond Version is 40% or higher, then a Performance Fee of 2% will be paid to BCP. These Performance Fees apply at maturity and if you withdraw your investment before the maturity date. 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 BNP Paribas SA. In the event BNP Paribas fails to meet its liabilities, you could lose some or all of your money. Your investment is not covered by any compensation schemes covering counterparty default.

## CHARGES:

100% of your investment is allocated to the Bond and any performance returns generated are based on 100% of the invested capital, not your invested capital minus the any applicable fees. There are no annual management fees.

**Growth Version:** Total fees for the Growth Version of the Bond are 3.35%. From the total fee received, Redmayne-Bentley will receive 0.4% for custody and execution services. If you have invested via an authorised investment intermediary they will be paid a fee of 2.0%, this fee is payable to BCP if you do not deal with us through an intermediary. BCP Asset Management will receive a fee of 0.95% for the design, distribution, marketing and administration of the Bond. The total fee and the fee payable to BCP quoted above may vary depending on the fee payable to BCP by BNP Paribas on any subsequent increases or decreases to the initial amount hedged for this product. The fee to BCP will depend primarily on the option price, the market interest rate and the Bank's funding rate at the time. The actual % payable is available on request after the start date of this product. A 0.5% administration charge (subject to €100 minimum) payable to BCP will apply to the full realised market value (which may be more or less than the capital secure amount) of any withdrawal outside of the maturity date.

**Growth Plus Version:** Total fees for the Growth Plus Version of the Bond are 3.65%. From the total fee received, Redmayne-Bentley will receive 0.4% for custody and execution services. If you have invested via an authorised investment intermediary they will be paid a fee of 2.0%, this fee is payable to BCP if you do not deal with us through an intermediary. BCP Asset Management will receive a fee of 1.25% for the design, distribution, marketing and administration of the Bond. The total fee and the fee payable to BCP quoted above may vary depending on the fee payable to BCP by BNP Paribas on any subsequent increases or decreases to the initial amount hedged for this product. The fee to BCP will depend primarily on the option price, the market interest rate and the Bank's funding rate at the time. The actual % payable is available on request after the start date of this product. A 0.5% administration charge (subject to €100 minimum) payable to BCP will apply to the full realised market value (which may be more or less than the capital secure amount) of any withdrawal outside of the maturity date.

## WHERE DOES MY INVESTMENT GO?

You are purchasing a BNP Paribas Issuance B.V. Certificate. BCP has appointed Redmayne-Bentley (RB) who are authorised to act as the custodian of the Certificate. Investor funds will be transferred from BCP to RB who in turn will transfer the funds to BNP Paribas before the start date. At the Final Maturity Date or earlier if encashed, funds will be transferred from BNP Paribas back to RB who in turn will transfer funds back to BCP. BCP will advise you of the amount received and request your written instructions.

## DO I HAVE ACCESS TO MY INVESTMENT?

The Certificates will be listed on the Luxembourg Stock Exchange and are tradable investments. BNP endeavours to make a secondary market in the Certificates, subject to it being satisfied that normal market conditions prevail. There is no guarantee liquidity will be available at the time you wish to encash. Any prices indicated will be dependent upon a number of factors including the remaining time

to the Maturity Date, the Guarantor's credit risk, the performance and volatility of the underlying Fund, interest rates, exchange rates, credit spreads and any incidental costs. BNP may be the only market maker in the Certificates which may affect liquidity. Therefore, investors will, in normal market conditions be able to sell the Certificates at any time during the term. The price at which the Certificates can be sold will be the open market value determined by BNP which will take fees and charges into account and can be lower than the initial amount invested or the capital protected amount.

## WHAT HAPPENS IF I DIE?

In the event of the death of a sole investor prior to the expiry of the Term: a) 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 b) the Bond may be redeemed, subject to normal probate regulations, at its realisable value as determined by BCP based on a calculation by BNP Paribas. The amount redeemed may be more or less than the capital invested. 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 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 BNP Paribas which may be more or less than the capital invested. The proceeds from such redemption will be paid to the trustees of the plan, or the investing Life Company as appropriate.

## WHAT ABOUT TAX?

The Bond is a Certificate and all investment returns will be paid gross of tax. The current Irish legislation does not allow for a clear categorisation of how these products should be treated for tax purposes.

With respect to the 90% capital secure Growth Plus Version, based on independent taxation advice received, it is our understanding that this product should be subject to Capital Gains Tax where applicable. With respect to the 95% capital secure Growth Version, based on independent taxation advice received, it is our understanding that this product should be subject to Income Tax where applicable. Revenue law and practice can change at any time; the tax treatment will depend on the individual circumstances of each client and may be subject to change in the future. BCP are not tax advisers and are not offering tax advice on this product. Investors should satisfy themselves independently of the taxation treatment of the Bond, in relation to reporting requirements and the implications of non-disclosure.

## WHAT IS A CERTIFICATE?

A Certificate is an instrument issued by a bank that confers a debt obligation on the bank to the benefit of the investor. A Certificate can therefore be classified as a bank debt security or a bank bond. The BCP Global Equity Absolute Return Bond 6 is in the form of a Certificate issued by BNP Paribas Issuance B.V., a 100% owned subsidiary of BNP Paribas, and is guaranteed by BNP Paribas. This is a senior unsecured debt instrument that ranks equally with all other senior unsecured debt issued by BNP Paribas. This Certificate is listed on the Luxembourg Stock Exchange and can therefore be generally classified as a listed bond.

# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

## PERFORMANCE FEES

If at the end of the 5 year term or if you withdraw your investment before the maturity date, 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 or if you withdraw your investment before the maturity date, 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. The Performance Fee is paid in addition to the initial fee paid to BCP and your intermediary, where applicable, as described on page 6.

**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 6 GROWTH PLUS VERSION

At the end of the 5 year Term, the Growth Plus Version will pay 90% of the Capital invested plus 180% 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 Fund is 40% over the term of the Bond, the return to investors will be 90% of the Capital invested plus 72% (40% x 180%) giving a Gross Return of 62%. As the 62% 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 60% paid to investors. This is equivalent to 12% per annum (CAR 9.9%). Even if the Performance of the Fund is negative over the term of the Bond, 90% of the Capital invested will be returned.

### BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6 GROWTH VERSION

At the end of the 5 year Term, the Growth Version will pay 95% of the Capital invested plus 90% 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 Fund is 40% over the term of the Bond, the return to investors will be 95% of the Capital invested plus 36% (40% x 90%) giving a Gross Return of 31%. As the 31% 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 30% paid to investors. This is equivalent to 6.0% per annum (CAR 5.4%). Even if the Performance of the Fund is negative over the term of the Bond, 95% of the Capital invested will be returned.

**Warning: The figures above are provided only to demonstrate 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.**

## BEFORE YOU INVEST – IS THIS BOND RIGHT FOR YOU?

When designing an investment product BCP spend a considerable amount of time ensuring the product features closely match the investment requirements of the target market we are distributing to. Below we have provided a simple checklist of product features that we encourage all investors to review, alongside their financial advisor, in order to ensure the product accurately meets an individual's demands and that the product is appropriate for their specific investment needs. The below checklist should be reviewed in conjunction with the entirety of the product brochure.

#### This investment may be right for you if:

- You have read the brochure and you understand how this investment works
- You understand that you can withdraw your investment anytime during the term in normal market conditions, but if you withdraw early, the encashment amount may be more or less than the capital secure amount
- You intend to invest for the full 5 year investment term
- You want to benefit from the performance of the underlying Fund
- Your investment objective for this Bond is capital growth and you do not require income
- You understand that you will lose up to 5% (Growth Version) or 10% (Growth Plus Version) of the capital invested if there is no investment return at maturity
- You understand that if BNP Paribas SA were to default you will lose some or all of your investment and potential return
- You understand and accept the risks associated with this investment

#### This investment may not be right for you if:

- You do not understand how this investment works
- You are not willing to risk any of your capital
- You have not read the warnings and risk disclosures in this brochure
- You require a regular income on your investment
- You are not willing to accept the risks associated with this investment
- You are not prepared to accept BNP Paribas SA credit risk
- You require a guaranteed return on your investment



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

## ANALYSING THE RISK OF THE INVESTMENT

**This Bond classifies as a 2A (Growth Version) and a 3A (Growth Plus Version) on BCP's internal risk analysis. See below for further detail.**

Categorising investment products and their associated risk for the purposes of finding suitable solutions for investors is an important part of today's investment market, for both investors and their advisors. The standard industry methodology used to calculate investment fund risk profiles is based on European guidelines known as 'ESMA' (European Securities and Markets Authority). This methodology simply looks to the fund's previous 5 years of volatility and ranks the fund on a scale from 1 to 7. The higher the 'risk' the higher the number on the scale. For example if you were to analyse the Old Mutual 'GEAR' fund it would fall into ESMA Risk Category 3 or 4 because the historic volatility since inception has been less than 5% but can move above 5%.

RISK RATING	EQUAL TO OR ABOVE	LESS THAN
1	0%	0.5%
2	0.5%	2%
3	2%	5%
4	5%	10%
5	10%	15%
6	15%	25%
7	25%+	

However it's important to note that not all investment products can be placed into this specific calculation of risk. For example products such as this BCP Bond carry a 'hard' level of capital protection, either 95% or 90% which protects investors from high levels of downside fund volatility/risk. The above ESMA calculation does not cater for this added layer of protection so firms such as BCP are required to develop their own internal risk rating analysis.

As outlined in more detail in the 'Risk Profiling' document referred to above, BCP has sought to combine the two elements of a capital secure product (the level of capital protection and

the underlying fund) to provide the market with our own risk profiling tool to assist an investor in their decision making process. On a general note we believe our full range of products (from 100% capital secure to 90% capital secure) are at least equivalent to category 1-3 of ESMA and are generally classified as low or lower risk investment products comparable to the risk profile of other such 1-3 products.

The investment fund examples used below to illustrate the various ESMA risk categories are for illustrative purposes only. For example not all Corporate Bond Funds will fit into category 3, some may be higher.



We believe hard protected BCP structured products are comparable to Category 1-3 of the ESMA risk ratings. Category 4 typically includes open-end multi-asset funds with zero capital security. As such we do not believe our capital secure bonds can be comparable to such funds. Therefore such BCP Bonds fall into the 'lower risk' end of the investor spectrum in our opinion. Within the range of BCP Bonds it's worth looking at each individually to compare the risk profiles. As you see we have internally profiled our products based firstly on the level of capital protection being offered from 100% to 90%. The second layer is based on the underlying asset as this will impact the fluctuation of performance during the term of the Bond. Underlying Absolute Return Funds and Multi-Asset Funds are therefore less risky than Equity Indices or Equity Funds.



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6



## WHAT ARE THE RISKS INVOLVED IN THE BOND?

- **Risk of Capital Loss** – If you invest in this Bond at maturity you can lose 10% (Growth Plus Version) or 5% (Growth Version) of the money you invest.
- **Counterparty/Credit Risk** – Your capital is exposed to the credit risk of BNP Paribas as the guarantor of the Certificate. If BNP Paribas defaults on its senior debt obligations you may suffer partial or full capital loss and potential return.
- **Inflation Risk** – Any inflation during the term of the Bond will reduce the real value of your investment over time.
- **Concentration Risk** – Your investment in the Bond should only be considered as part of your overall investment portfolio. You should not put all, nor a large part, of the money you have available for investment into any one product, or with any one counterparty.
- **Market Risk** – External factors could affect national economies, regions or an asset class and cause a fall in value of the equity markets and could influence the returns payable under the Bond.
- **Liquidity Risk** – BNP Paribas aims to provide a secondary market for the Bond during the investment term. However, certain exceptional market circumstances may have a negative impact on the liquidity of the Bond and result in the partial or total loss of your initial capital invested. Extreme adverse conditions may even render the Bond entirely illiquid, which may make it impossible to sell the Bond before the Final Maturity Date. It is envisaged that investors will hold the Bond for the full 5 year term and all investors should consider the term before investing.
- **Early Redemption Risk** – If the Bond is sold before the Final Maturity Date then the value of the Bond may be less than the original investment amount and the investor may lose some or all of the invested amount.
- **Lack of Compensation Scheme Protection** – Your investment is not covered by any investor compensation schemes in the event of a default of BNP Paribas.
- **Taxation Risk** – Current Irish taxation legislation does not allow for a clear categorisation of the product as being subject to Capital Gains Tax (Growth Plus Version) or Income Tax (Growth Version). There is a risk an alternative taxation basis may apply.

Investors should refer to the prospectus and final terms associated with this Bond before making any investment in the product. It is recommended that investors read carefully the “risk factors” section of the Bond’s prospectus. The prospectus is available on BNP Paribas website.

**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 cash in your investment before the final maturity date you may lose some or all of the money you invest. Warning: The value of your investment can go down as well as up.**

### KEY EVENTS AND DATES

Closing Date	15th September 2017
Initial Fund Level	22nd September 2017
Start Date	29th September 2017
Final Fund Level	22nd September 2022
Maturity	29th September 2022

## CHECKLIST FOR INVESTORS

- ☐ Prior to submitting your investment to BCP please review the checklist below to ensure you have all the required minimum documentation. Additional documentation may be required for certain investor categories so we would always encourage you to call your BCP advisor prior to submission.
  - ☐ Completed Application Form (in full including Sections (C) and (D) – Appropriateness Assessment, Section (E) Declaration and the Redmayne-Bentley Nominee Account Agreement Form).
  - ☐ Please complete BCP Investment Services Application form.
  - ☐ Certified copy of valid Photo ID (Passport, Drivers Licence or Public Services Card).
  - ☐ Certified copy of proof of Address (Utility bills, bank statements, tax information from Revenue, Credit Card bills). For investments paid by Draft two separate proofs are required.
  - ☐ For payment by Bank Draft/Credit Union cheque please complete source of funds section above.
  - ☐ Certified copy of Revenue Approval for SSAPs and Revenue approved occupational pension schemes.
  - ☐ Please ensure cheque is made payable to BCP Asset Management DAC.
- For Credit Unions, Corporates, Charities, Trusts & Non Residents please contact BCP for further requirements.

AGENT STAMP

Advisor's Name

## INTERMEDIARY CHECKLIST:

- Intermediary Firms must be authorised for ‘Listed Share & Bonds’ in order to advise on this product. Individual advisers must meet the requirements of the Central Bank’s Minimum Competency Code relating to Savings and Investments. Advisers who are Grandfathered must also ensure that on their Statement of Grandfathered Status they have been Grandfathered in respect of section 3. Savings & Investment e) - ‘Listed Shares & Bonds’.
- The Intermediary Firm must complete Section (F): Intermediary Declaration on page 12.
- The Intermediary Firm must complete the ‘BCP Products Due Diligence Form’.
- This product is only available to clients who have received investment advice. As such you will need to complete a client fact find and issue your client(s) with a Suitability letter outlining why the investment is considered suitable.

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



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

## APPLICATION FORM PLEASE COMPLETE IN BLOCK CAPITALS

### SECTION (A): CONTACT DETAILS

1. Investment advice was provided by: Intermediary ☐ BCP ☐

I/We hereby apply for the BCP Global Equity Absolute Return Bond 6 with BCP Asset Management DAC in the name/s of

(a) Name (Mr/Ms)	Date of Birth	Occupation
------------------	---------------	------------

(b) Name (Mr/Ms)	Date of Birth	Occupation
------------------	---------------	------------

Applicant (if different from above)

Address

Tel: Day:

Mobile:

Email Address:

### SECTION (B): INVESTMENT AMOUNT

**BCP Global Equity Absolute Return Bond 6 - Growth Plus Version** €

Minimum €20,000, only denominations of €1,000 are accepted.

**BCP Global Equity Absolute Return Bond 6 - Growth Version** €

Minimum €20,000, only denominations of €1,000 are accepted.

#### PLEASE MAKE CHEQUES PAYABLE TO 'BCP ASSET MANAGEMENT DAC'

Payment by: Personal Cheque ☐ Bank Draft ☐ Credit Union Draft ☐ EFT ☐ Other ☐

**If payment by Bank Draft, please complete below:**

Bank/Building Society Name:

Account Name:

Account No:

BIC:

IBAN:

### SECTION (C): APPROPRIATENESS ASSESSMENT - PRODUCT SPECIFIC

**Please complete below for the most experienced person connected with the application**

Have you previously invested in products similar to the BCP Global Equity Absolute Return Bond 6? Yes ☐ No ☐

If 'Yes' please provide the following information:

Number of years experience:

Number of investments made:

**Please see checklist on page 9 before submitting this application.**

# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

Please note completion of the below table is an important part of the application process. Please complete all sections where relevant.

## SECTION (D): APPROPRIATENESS ASSESSMENT - GENERAL

When we assess appropriateness for joint applicants or non personal entities, we will base our assessment, or our understanding of financial experience and knowledge, on that applicable to the most experienced person connected with the application.

**Limited:** Have some knowledge but limited trading history.

**Good:** Have knowledge and have traded over a number of years.

**Extensive:** Have knowledge and have traded consistently over the past 5 years.

**Investment Experience - Please indicate your investment experience:**

Asset Class (Currently or Previously Invested In, via Pension or Investment Portfolio)	Limited Experience	Good Experience	Extensive Experience	Number of Years Experience	Average Number of Trades per annum	Investment Advice Used	No Investment Advice Used
Managed Funds (Multi Asset Funds with minimum ESMA 3 risk rating)							
Equity Funds							
Listed Company Shares							
Deposits/Cash							
Capital Secure Deposit Bonds							
Capital Secure Notes/Certificates							
Soft Protected/'Kick-Out' Bonds							
Debt Securities/Notes							
Derivatives (eg Options and Futures)							
Any other relevant information:							
Do you have a professional qualification:    Yes <input type="checkbox"/> No <input type="checkbox"/>							
If yes, please provide details:							

Please see checklist on page 9 before submitting this application.



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

Q3 2017

## SECTION (E): DECLARATION

I/We do not require an income from this investment.

I/We authorise my/our advisor to view details of my/our account online via [crm.bcp.ie](http://crm.bcp.ie).

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 have read and understand the Terms and Conditions as set out in the Brochure 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 29th September 2017 (see Term & Condition 3.1).

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 do not consent to the information being 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 confirm that I am/we are not a U.S. Person(s) as defined in the Terms and Conditions and I am/we are resident outside the United States.

I/We confirm that I/we will notify BCP if I/we become a U.S. Person or reside in the United States during the term of the Bond. I/We understand that should this occur I/we cannot continue to hold the investment and must surrender the Bond at its realisable value which may be more or less than the initial investment.

**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]**

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

## SECTION (F): INTERMEDIARY DECLARATION

I hereby confirm \_\_\_\_\_ (insert name of firm), ('the Firm')

has provided investment advice to the Applicant in respect of the following asset types (please tick as appropriate)

- |  |  |  |   |
|--|--|--|---|
| <input type="checkbox"/> Managed Funds         | <input type="checkbox"/> Derivatives           | <input type="checkbox"/> Deposits/Cash                     | <input type="checkbox"/> Debt Securities/Notes                        |
| <input type="checkbox"/> Equity Funds          | <input type="checkbox"/> Government Bond Funds | <input type="checkbox"/> Capital Secure Deposit Bonds      | <input type="checkbox"/> Direct Property or Property Funds - Geared   |
| <input type="checkbox"/> Listed Company Shares | <input type="checkbox"/> Corporate Bond Funds  | <input type="checkbox"/> Capital Secure Notes/Certificates | <input type="checkbox"/> Direct Property or Property Funds - Ungeared |

Client met face to face? Yes ☐ No ☐

I hereby confirm that I have provided investment advice to my client with respect to this investment.

Signed:

Date:

Name (print)

Position:

For and on behalf of the Intermediary

**Please see checklist on page 9 before submitting this application.**

**Warning: The value of your investment may go down as well as up, you may get back less than you invest. 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 encash before maturity, 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 and you may lose some or all of the money you invest. Liquidity is only available in normal market conditions. Warning: The return on your investment in this product may be affected by changes in currency exchange rates. Warning: If BNP Paribas were to default, you will lose some or all of your investment and potential return. Warning: Current Irish taxation legislation does not allow for a clear tax categorisation of this product. There is a risk an alternative taxation basis may apply.**



## REDMAYNE-BENTLEY NOMINEE ACCOUNT AGREEMENT FORM

PLEASE COMPLETE IN BLOCK CAPITALS

### NAME OF INVESTOR(S):

#### FIRST SIGNATORY (FOR ALL APPLICATIONS)

TITLE: (E.G. MR. MRS. DR.)

SURNAME:

FIRST NAMES: (IN FULL)

DATE OF BIRTH: (DD/MM/YY)

PLACE OF BIRTH:

ADDRESS:

#### SECOND SIGNATORY (FOR JOINT APPLICATIONS)

TITLE: (E.G. MR. MRS. DR.)

SURNAME:

FIRST NAMES: (IN FULL)

DATE OF BIRTH: (DD/MM/YY)

PLACE OF BIRTH:

ADDRESS:

Are you resident for tax purposes in Ireland?

**Applicant A:** Yes ☐ No ☐ **Applicant B:** Yes ☐ No ☐

PPSN A: \_\_\_\_\_

PPSN B: \_\_\_\_\_

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:

### BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

#### PLEASE COMPLETE BANK ACCOUNT DETAILS FOR MATURITY PAYMENTS:

BANK ADDRESS:

POSTCODE:

BANK ACCOUNT HOLDER'S NAME(S):

BIC:

IBAN:

#### DECLARATION

I/We declare that:

1. I/We have read, understood and retained a copy of Redmayne-Bentley's Terms & Conditions and A Guide to our Services & Charges. If you do not understand any point please ask for further information.
2. I/We give Redmayne-Bentley (RB) the authorisation to administer my/our account(s) using the Redmayne-Bentley nominee and cash deposit facilities.
3. Whilst most orders undertaken will be in accordance with their published Best Execution Policy please note that Redmayne-Bentley may execute orders outside of a recognised market or Multilateral Trading Facility (MTF). You agree that RB may do this as RB see fit in order to achieve a similar or better result. Please contact us if you do not understand this or require further information.
4. I/We declare that this application form has been completed to the best of my/our knowledge.

FIRST SIGNATORY SIGNATURE

DATE

SECOND SIGNATORY SIGNATURE

DATE

**Please see checklist on page 9 before submitting this application.**



# BCP GLOBAL EQUITY ABSOLUTE RETURN BOND 6

## MANDATE FOR CORPORATE, CHARITY INVESTMENTS

At a meeting of the Directors duly convened and held on the \_\_\_\_\_ day of \_\_\_\_\_ 2017 the following resolution was passed.

"Resolved that (*insert applicant name*): \_\_\_\_\_

should invest € \_\_\_\_\_ in the BCP Global Equity Absolute Return Bond 6 and the following are authorised to complete, on behalf of the company, the application forms and other documentation relating to this investment."

### Specimen signatures of those authorised to give instructions (Minimum 2 signatories are required):

Name	Official Position	Signature

Please include all individuals including Directors who are authorised to apply for and give instructions in relation to this investment.

I certify the above to be a true copy of the Resolution recorded in the minute book.

**Signed** (*Authorised Signatory*): \_\_\_\_\_

**Print Name:** \_\_\_\_\_ Director/Secretary\*

**Date:** \_\_\_\_\_

\*Delete as appropriate

## 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 6.
- 1.2 'the Bond' means the BCP Global Equity Absolute Return Bond 6 – Growth Plus Version and/or the BCP Global Equity Absolute Return Bond 6 – 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 29th September 2017 and maturing on 29th September 2022.
- 1.4 'Return' means the gross return calculated in accordance with Section 8 below.
- 1.5 'the Bank', means BNP Paribas SA and its successors, assigns and transferees which is authorised and supervised by the European Central Bank ('ECB') and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) (the French Prudential Control and Resolution Authority), regulated by the Autorité des marchés financiers (the French financial markets regulator) (AMF) and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the UK for its activity conducted in the UK. For the avoidance of doubt the Bank has no connection to Old Mutual.
- 1.6 'BCP' means BCP Asset Management DAC and its successors, assigns and transferees.
- 1.7 'Accounts' means the individual accounts opened with the Custodian in relation to the Bond.
- 1.8 The 'Fund' means the Old Mutual Global Equity Absolute Return (GEAR) Fund. The Bloomberg code is OMEAEHA.
- 1.9 'Performance of the Fund' is defined in 8.2 below.
- 1.10 'Performance of the Bond Version' is defined in 8.3 below.
- 1.11 'Gross Return of the Bond Version' is defined in 8.4 below.
- 1.12 'Performance Fee' is defined in 8.5 below.
- 1.13 'Averaging Dates' mean Average of the Fund values taken at monthly anniversaries of the Initial Fund Level from, and including, 22/03/2021 to 22/09/2022.
- 1.14 'Certificate' Growth Plus version registered under ISIN Code XS1582794365 and Growth Version under ISIN Code XS1582794449.

### 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. For payments by draft please provide a second form of separate address verification. 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 Prior to the Start Date your money will be held in a Client Asset Account in the name of BCP Asset Management DAC. Your money will be held with other clients' assets as part of a common pool so you do not have a claim against a specific sum in a specific account; your claim is against the client assets pool in general. In the case of any such pooled client account we will ensure that such account is in the name of BCP Asset Management DAC, is designated as a client asset account and that only we are entitled to issue instructions in respect of this account. Funds will be transferred to the Custodian before the Start Date to facilitate the purchase of your Investment. No interest will be paid to you in relation to the period up to the Start Date.
- 3.2 When the Custodian receives your Investment, it will allocate such monies to a custody account under your name.
- 3.3 The Certificate will be registered in the name of the Custodian, and documents of title, if any, will be kept in the custody of the Custodian. The Certificate will be registered collectively in the name of the Custodian and the Certificate held in respect of the Investment will be recorded and separately identified by the Custodian. When the Custodian purchases a Certificate on your behalf in accordance with these Terms and Conditions, it will always be acting as your agent, and not as the agent of the Issuer or BCP.
- 3.4 After the start of the Investment, following the purchase of the Certificate in respect of your Investment, BCP will send you written confirmation of your Investment. PDF statements will be made available once a year via your [crm.bcp.ie](http://crm.bcp.ie) online account. Prices for BCP products will be updated at least quarterly, and available to view online. Paper statements are issued once a year in January where clients are not signed up for [crm.bcp.ie](http://crm.bcp.ie).
- 3.5 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.

### 4. CUSTOMER CATEGORY

BCP, as Lead Distributor, will treat you as a retail client for the purposes of MiFID. This means you will receive the highest level of MiFID protection. You may request to be treated as a professional client providing you meet additional criteria however, if you do so, you will lose some of the protections afforded to retail clients under MiFID.

### 5. AVAILABILITY

- 5.1 The Bond is available to individuals who are aged 18 or over investing on their own behalf,

charitable/religious bodies, companies, pension funds, ARFs, AMRFs, PRBs, SSAPs and PRSAs.

- 5.2 The Bond may not be legally or beneficially owned, held, redeemed or exercised at any time by or transferred or pledged to any "U.S. Person".
- 5.3 The minimum investment for each version is €20,000. Only increments of €1,000 are accepted.
- 5.4 The closing date for applications is 15th September 2017 or earlier, if fully subscribed. BCP and/or the Custodian accept no responsibility for applications (i.e. completed application form(s) plus cleared funds and any other appropriate documentation if required) until they are physically received and accepted by them. Applications received after the 15th September 2017 may be accepted at the discretion of BCP and/or the Custodian.

### 6. CANCELLATION RIGHTS

- 6.1 You have the option to cancel your application to invest in the Bond by 15th September 2017. In order to cancel written notice must be received by BCP by 15th September 2017.
- 6.2 BCP reserves the right, at its sole discretion, not to proceed with this Bond at any time up to and including the Start Date. In such circumstances your Investment amount will be returned to you without interest.

### 7. WITHDRAWALS

- 7.1 Daily liquidity is available in normal market conditions. The value of any withdrawal is dependent on a number of factors and is subject to market movements.
- 7.2 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 capital secure amount.
- 7.3 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).
- 7.4 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 capital secure amount. The proceeds from such redemption will be paid to the trustees of the plan, or the investing Life Company as appropriate.

## TERMS & CONDITIONS

- 7.5 Early redemption fees of 0.5% of the maturity proceeds (subject to a minimum of €100) will apply to early exits.

### 8. RETURN

- 8.1 The growth on the 5 year Certificate at maturity is calculated as the Performance of the Bond Version less the Performance Fee, and is calculated in accordance with 8.2, 8.3, 8.4 and 8.5. This growth will be added to the capital secure amount to calculate the final return.
- 8.2 Performance of 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 22nd September 2017 or the next business day for the Fund; (2) The Final Price for the Fund is the average of the prices for the Fund taken at monthly intervals from 22/03/2021 to 22/09/2022 on the 22nd of every month. Where a price is not available for the Fund on the 22nd of a month due to it not being a business day for pricing purposes, the price used will be the next business day for the Fund regardless of whether a price is available on the 22nd for the Fund.
- 8.3 Performance of the Bond Version is calculated as (Performance of the Fund x Participation) where Participation for the Growth Plus Version is 180% and Participation for the Growth Version is 90%.
- 8.4 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.
- 8.5 The Performance Fee will be 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 capital invested). If the Gross Return of the Bond is 40% or higher at maturity then a Performance Fee of 2% will be paid to BCP (i.e. the gross realisable value is at least 140% of the capital invested). If you withdraw your investment before the maturity date, and the gross realisable value is between 118% and 139.99% of the capital invested, the Performance Fee paid to BCP will be 1%. If you withdraw your investment before the maturity date, and the gross realisable value is at least 140% of the capital invested, the Performance Fee paid to BCP will be 2%.
- 8.6 If the Performance of the Fund is negative, at maturity you will receive 90% of the capital invested in the Growth Plus Version and 95% of the capital invested in the Growth Version.
- 8.7 Should any event occur during the 5 year Term which in BCP's absolute discretion constitutes a substantial change to an the Fund, force majeure or hedging disruption, BCP shall be entitled to substitute the Fund with another underlying, 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).

- 8.8 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.

- 8.9 The final return will be paid gross of tax.

### 9. MATURITY

At maturity or exit, your proceeds will be transferred back to Redmayne Bentley (RB) and will be held by RB in accordance with the FCA Client Assets Sourcebook (CASS) rules. Funds are then sent back to BCP and held in a pooled client asset account. A Performance Fee, where applicable, will be deducted from the proceeds. You will have the option to access your proceeds, or you may have the option to reinvest the proceeds into other products which may be available at that time. Your financial adviser or BCP will contact you before maturity or exit to ask your preference.

### 10. JOINT INVESTMENTS

Unless otherwise agreed in writing with BCP, the withdrawal of funds at maturity or during the term will require the consent of all account holders. Should you wish 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.

### 11. COMPLAINTS

Any complaint about the sale of this Bond should be made to your financial adviser or the intermediary through whom you invested or BCP Asset Management DAC, 71 Upper Leeson Street, Dublin 4 if relevant. A complaint about any custody aspect of this Bond should be made to Redmayne-Bentley, 74 South Mall St, Cork. Any complaints referred to BCP relating to your Investment will be investigated thoroughly and in accordance with BCP's Complaints Policy. Details of the Complaints Policy are available on request. If you are dissatisfied with the outcome of BCP's efforts to resolve your complaint, it is possible that you may be able to refer your complaint to the Financial Services Ombudsman or the Pensions Ombudsman, as appropriate by contacting the relevant office.

### 12. CONFIDENTIALITY

BCP and Redmayne-Bentley observe a strict duty of confidentiality about your financial affairs. Save at your request or with your consent, neither BCP nor Redmayne-Bentley 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.

### 13. DATA PROTECTION AND CUSTOMER INFORMATION NOTICE

BCP complies with the Data Protection Acts 1988 and 2003. Redmayne-Bentley (RB) is registered with the UK Information Commissioner's Office under the UK Data Protection Act 1998. Your personal data held by BCP and Redmayne-Bentley will be maintained in accordance with the obligations of the relevant acts and subsequent legislation. Redmayne-Bentley have an obligation pursuant to 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 Redmayne-Bentley may be legally obliged to share this information, and other financial information with respect to an investor's returns 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-reportingstandard/> in the case of CRS only.

### 14. CONFLICT OF INTEREST

Occasions can arise where BCP or the Custodian, or one of their clients, will have some form of interest in business which is being transacted for the Bond. If this happens, or if BCP or the Custodian becomes aware that its interests or those of one of its other clients conflict with your interests, you will be informed and asked for your written consent before any transaction is carried out. A copy of the Custodian's conflicts of interest policy can be obtained upon request from Redmayne-Bentley LLP, 9 Bond Court, Leeds LS1 2JZ. A copy of BCP's policy is available from BCP.

### 15. 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 Custodian.

### 16. VARIATION

BCP and the Custodian reserve the right to amend, vary or supplement these Terms & Conditions, during the Term of the Bond. This may be for one of the following reasons:

- (a) due to a change in legal, regulatory or taxation requirements to which BCP and/or



## TERMS & CONDITIONS

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the Custodian is subject, or a change in the manner in which same are applied;

- (b) to comply with an order of a court or other analogous authority;
- (c) to make the Terms & Conditions fairer to you or to correct a mistake (provided that such a correction would not adversely affect your rights);
- (d) to enable your Bond to be managed more effectively, or to provide you with additional options within your Bond. Where possible you will be notified of any changes at least 30 days in advance of changes taking effect.

### 17. ACCEPTANCE OF TERMS & CONDITIONS

By accepting these Terms & Conditions, you authorise the Custodian and BCP to disclose all relevant particulars of your Investment where BCP or the Custodian is required by law, regulation, court (or other arbitral) order, taxation authority or other supervisory or regulatory authority to do so.

### 18. DISCLAIMER

Reference within this document to particular funds or indices are included only to indicate the basis

upon which the investment return is calculated, not to indicate any association between BCP or the Issuer and the relevant fund, nor does such reference indicate any endorsement of the investment by the relevant provider.

### 19. TELEPHONE RECORDING

For the prevention of fraud, money laundering and the financing of terrorism and for security, training, compliance and monitoring purposes all telephone calls to and from BCP may be recorded.

### 20. COMMUNICATION

BCP and the Custodian will always write and speak to you in English.

### 21. FORCE MAJEURE

In the event of any failure, interruption or delay in the performance of its obligations resulting from the breakdown, failure or malfunction of any telecommunications or computer service, industrial disputes, failure of any third party to carry out its obligations, acts of governmental or supranational authorities, or any other event or circumstance whatsoever not reasonably within its control, BCP and/or the Custodian may be unable to fulfil its financial responsibilities in the market

then your ability to realise your Investment may be restricted and BCP and/or the Custodian shall not be liable or have any responsibility of any kind for any loss or damage you incur or suffer as a result.

### 22. NO RESTRICTION ON INVESTMENT SERVICES

Nothing herein shall restrict BCP and/or the Custodian's right to provide investment services to others.

### 23. GOVERNING LAW

- 23.1 These Terms and Conditions and all non-contractual obligations arising out of or in connection with them shall be governed by Irish law and will become effective on acceptance by BCP of your signed Application Form.
- 23.2 The issue of the Certificate is governed by English law and your rights relating to that instrument may differ were it subject to Irish law.
- 23.3 If there is a conflict between these terms and conditions and the terms and conditions of the Certificate then the Certificate's Terms and Conditions shall have supremacy.



BCP Asset Management DAC

71 Upper Leeson Street, Dublin 4, Ireland | T: (01) 668 4688 | F: (01) 668 4246 | E: [invest@bcp.ie](mailto:invest@bcp.ie) | W: [www.bcp.ie](http://www.bcp.ie)

BCP Asset Management DAC, trading as BCP, is regulated by the Central Bank of Ireland. Registered in Ireland number 92930.

Registered office 71 Upper Leeson Street, Dublin 4, Ireland. VAT number IE4693404F.

BNP Paribas is a French credit institution (bank) authorised and supervised by the European Central Bank ('ECB') and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) (the French Prudential Control and Resolution Authority), regulated by the Autorité des marchés financiers (the French financial markets regulator) (AMF) and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the UK for its activity conducted in the UK.

Redmayne-Bentley LLP is authorised and regulated by the Financial Conduct Authority (FCA).



# BCP ASSET MANAGEMENT DAC INVESTMENT SERVICES APPLICATION FORM

CLIENT CATEGORISATION

RETAIL



SERVICE TO BE PROVIDED BY BCP

NON-ADVISORY



CLIENT NAME

EMAIL ADDRESS

CLIENT NAME

EMAIL ADDRESS

## CONFIDENTIAL PRIVATE CLIENT INFORMATION

Where Non-Advisory services are provided to retail clients in relation to complex financial instruments, we are required to gather relevant information in relation to your investment experience and knowledge only.

**WARNING: Not providing the information, or providing insufficient information, will not allow us to determine whether the service or product envisaged is appropriate for you. Should there be any material change in your circumstances please notify us. All information received is treated in confidence in accordance with the Data Protection Acts 1988 and 2003. "Information" means any information given by you or on your behalf in connection with this application or any further information which may be given at a later stage either in writing, by email at a meeting or over the telephone including that furnished in connection with any application for any product/service available through us.**

## CLIENT CONFIRMATION

I/We hereby request BCP Asset Management DAC to provide Investment Services to me/us in accordance with its Terms of Business.

I/We accept and understand that where the product/service provided is subject to the European Communities (Markets in Financial Instruments) Regulations 2007 ("MiFID") I am/we are considered a retail client(s) as shown above.

I/We understand and acknowledge that all transactions will be subject to the Terms of Business of BCP Asset Management DAC that are applicable at the time of each such transaction, and that the Terms of Business applicable at the date of this application may subsequently be varied.

I/We undertake to inform BCP Asset Management DAC in writing without delay if any information provided to the firm, including my/our address, residency, citizenship or tax status, changes materially.

I/We acknowledge that we have read, understand and accept BCP Asset Management DAC's Terms of Business.

By signing this application form, I/we consent to the Information provided being used as described in the Data Protection section of the Terms of Business and I/we consent to the extent required to the processing of the Information relating to me/us, including the transfer of the Information outside the EEA, as outlined therein.

I/We do not consent to my/our Information being used by BCP Asset Management DAC for marketing purposes. Tick box if applicable. ☐

Client signature:

(or Authorised Signatory for & on behalf of client)

Client signature:

(or Authorised Signatory for & on behalf of client)

Position (if applicable):

Director/Trustee/Other (Specify)

Position (if applicable):

Director/Trustee/Other (Specify)

Date:

Date:

## OFFICE USE

SOURCE:

EXISTING CLIENT:

REFERRED BY (NAME):

CLIENT CALLED:



BCP Asset Management DAC

71 Upper Leeson Street, Dublin 4, Ireland | T: (01) 668 4688 | F: (01) 668 4246 | E: [invest@bcp.ie](mailto:invest@bcp.ie) | W: [www.bcp.ie](http://www.bcp.ie)

BCP Asset Management DAC, trading as BCP, is regulated by the Central Bank of Ireland. Registered in Ireland number 92930. Registered office 71 Upper Leeson Street, Dublin 4, Ireland. VAT number IE4693404F.

**It is important that you read these Terms of Business carefully as they set out the terms under which the services of BCP Asset Management DAC ("BCP", "the firm", "we", "us", "our") will be provided to clients ("you").**

## NON-ADVISORY SERVICE

- Where you decide to invest in new or encash existing products and receive no investment advice from us, this is known as our Non-Advisory service.
- In these cases we will not advise you about the merits of the transaction nor will we assess the suitability (and for non-complex products, the appropriateness) of the investment for you and you will not therefore benefit from the protections afforded to clients for whom we assess suitability or appropriateness. Non-complex financial instruments include deposit based structured products and life assurance products.
- Where the Markets in Financial Instruments Directive ('MiFID') applies and you are a retail client who wishes to receive a Non-Advisory service in relation to a complex financial instrument, we will advise you at the time that the financial instrument is complex. In such circumstances, we are required to gather information from you in relation to your investment knowledge and experience and assess whether the investment service or product is appropriate for you. Should we determine that the product or service is not appropriate to you, we are obliged to warn you of the risks involved before proceeding to transmit the order for you.
- Complex financial instruments means any financial instrument other than a non-complex instrument as defined in Regulation 95 of the MiFID Regulations. Non-complex financial instruments means a financial instrument as specified in Regulation 95 of the MiFID Regulations, these include certain types of Credit Linked Notes, and certain non-insurance linked property funds.

## GENERAL TERMS AND CONDITIONS

### ABOUT BCP ASSET MANAGEMENT DAC

BCP Asset Management DAC is regulated by the Central Bank of Ireland, under Regulation 11 of the MiFID Regulations and Section 10 of the Investment Intermediaries Act 1995; the firm is registered with the Central Bank of Ireland under the European Communities (Insurance Mediation) Regulations, 2005 to act as an insurance intermediary. The Central Bank may be contacted at PO Box 559, Dame Street, Dublin 2.

### THE SERVICES WHICH WE ARE AUTHORISED TO PROVIDE ARE

- The reception and transmission of orders in relation to one or more financial instruments
- The provision of investment advice
- Acting as a deposit agent or deposit broker
- Portfolio management
- Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management
- Acting as a manager of a designated investment fund within the meaning of the Designated Investment Funds Act, 1985

### THE PRODUCTS FOR WHICH WE HAVE APPOINTMENTS TO ACT IN RELATION TO ARE

- Tracker bonds or similar instruments.
- Insurance policies and these include life assurance policies, specified serious illness and other protection type policies, savings and investment policies, and pension products.
- Personal Retirement Savings Accounts.
- Transferable securities.
- Money-market instruments
- Units in a unit trust.
- Shares in an investment company.
- Units or shares in undertakings for collective investments in transferable securities within the meaning of the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations, 2003 (S.I. No. 211 of 2003).

- Capital contributions to an investment limited partnership.
- Securities, currencies, interest rates or yields or other derivative instruments, financial indices or financial measures which may be settled physically or in cash.
- Units in a common contractual fund.

We are subject to the Central Bank of Ireland's Fitness and Probity Standards. We conduct all of our business with clients having due regard for both the letter and spirit of the relevant legislation and regulation including the Central Bank of Ireland's Minimum Competency Code, and where appropriate the Consumer Protection Code. The Codes may be found on the Central Bank's website [www.centralbank.ie](http://www.centralbank.ie).

Other than in connection with our Portfolio Management Service, or where advised in connection with a particular product, we do not hold investment instruments, policy documentation, share certificates or other items of record in safekeeping for our clients. Title documents which may be received by us in the normal course of business other than in connection with our Portfolio Management Service, or where advised in connection with a particular product, will be forwarded to you without delay.

We only provide regulated advice on the products and services for which we are authorised. When we are acting as an insurance intermediary we will provide advice on a fair analysis basis. Where we, or another BCP group company produces or is lead distributor for a product we believe appropriate for your needs we will not consider similar products available from other producers unless you instruct us otherwise.



## **CLIENT CATEGORISATION**

Where the product/service provided is subject to the MiFID Regulations, in accordance with these regulations we classify clients as retail or professional clients. The classification which we have applied to you is noted on the Investment Services Application. If you wish to change this classification please contact your Relationship Manager however we reserve the right to decline any such request. If you opt-up from a retail client to a professional client you will lose a number of investor protections, these are set out in Schedule 1.

## **DATA PROTECTION**

“Information” means any information given by you or on your behalf in connection with your Investment Services Application to us or any further information which may be given at a later stage either in writing, by email at a meeting or over the telephone including that furnished in connection with any application for any product/service available through us.

The Information will be used by us for the purposes of processing your applications, managing and administering your relationship with us and any products/services for which you have completed an application for a product or service, the prevention of money laundering, financing of terrorism or fraud, and compliance with any legal and regulatory obligations which apply to us. The Information may be disclosed to third parties including, but not limited to, the intermediary acting on your behalf as recorded on our records, product producers/service providers to which you have submitted an application or to which such submission is being contemplated, the providers of services to us, the Administrator, distributors, the Trustee and/or their respective delegates and agents of any Fund you are invested in for the purposes of providing services the Fund pursuant to their respective agreements or to us and, where necessary or for legitimate business interests, to auditors, the Central Bank of Ireland, the Irish Revenue Commissioners, other relevant regulators and tax authorities, and other companies in the BCP Asset Management group of companies.

The Information may be transferred to countries outside the European Economic Area (“EEA”) that may not have data protection laws or have data protection laws that do not provide the same level of protection as EU data protection law. Such transfer will only be carried out for the purposes described above, or in accordance with your instructions or consent, or as otherwise required by law or regulation.

To the extent that the Information relates to another individual, you warrant that you have been authorised by that individual to provide us with the Information relating to that individual and where necessary to consent on that individual’s behalf to its use and transfer in the manner outlined above.

You have the right at any time to request a copy of any “personal data” (within the meaning of the Data Protection Act, 1988 and 2003, as amended or re-enacted from time to time) that we hold in relation to you (for which a small fee may be charged) and to have inaccuracies in that information corrected.

For the prevention of fraud, money laundering and the financing of terrorism and for security, training and monitoring purposes telephone conversations between us may be recorded.

## **INSTRUCTIONS AND COMMUNICATIONS**

Your instructions to us to transmit orders must be in writing and signed by you.

We reserve the right to request confirmation of an instruction in writing and we may refuse to act on incomplete, unclear, inconsistent or mistaken instructions which you give us.

We are entitled to rely on instructions from you or from your agents including, where appropriate, the intermediary with whom you deal with us and your lawfully appointed attorney, which we have accepted in good faith. We may act

on the instructions of any such person unless and until such time as you notify us in writing that they are no longer authorised to act on your behalf and we have confirmed in writing to you receipt of your notification to us. Therefore we are under no obligation to monitor whether such a person is duly authorised by you. You should notify us immediately if you withdraw authority from any person you have appointed in this capacity.

Communication between us will be in English and may be by letter, telephone (including sms), email to the most recent email address notified to us in writing, or on our website or if agreed between us by other electronic means.

## **RISK WARNINGS**

All forms of investment involve some degree of risk. The value of investments may fall as well as rise. Past performance may not be an indication of future performance. Please note that your capital may be at risk and that you may not receive back the amount of your original investment.

Prior to investing, you should carefully read all relevant documentation including the risks involved. If you do not understand the nature and extent of your exposure to risk you should not invest.

Unless you confirm in writing that you do not wish for us to do so, we may recommend and/or transmit orders in suitable non-readily realisable or illiquid investments. These are investments in which the market is limited or could become so or there may be legal or other restrictions on their resale. Illiquid investments may be difficult to sell at prices that reflect the assessment of their value.

## **PROCESSING APPLICATIONS AND EXECUTION POLICY**

We do not execute orders on your behalf; we transmit your order to the relevant product/service provider for execution. All applications received by us will be transmitted on the day of receipt, the next business day, or where the product has a closing date for applications, no later than that closing date provided the application and other necessary documentation required to process the application is received by us in sufficient time for it to be submitted at that time.

Other than in connection with the discretionary investment management service, you will be providing us with a specific instruction to invest in a specific product. When following this specific instruction we will be taken to have satisfied our obligation to take all reasonable steps to obtain the best possible result in relation to the transaction to which your instructions relate. You will not therefore be afforded the protections under our Best Execution Policy.

BCP shall be held harmless against any loss arising as a result of a failure to process the application if any required documentation has not been provided to the satisfaction of BCP in sufficient time for the processing to occur in accordance with usual business procedures and practices.

Where you wish to invest in an investment instrument which is subject to the MiFID Regulations, other than in connection with the provision by us of a discretionary investment management service to you, or a product designed by us or an institution for which we act as intermediary you must contact a suitably authorised stockbroker or similar firm which can effect the transaction on your behalf. The firm executing your order will advise you of its own terms and conditions which will apply to your relationship with it.

## FEES, CHARGES AND REMUNERATION

Other than as described below, our services are paid for by introductory and recurring remuneration payable directly from product/service providers. This remuneration and the entry fee and annual management fee applying to any product you invest in will be notified to you in the documentation relating to the particular product. For the Discretionary Property Portfolio Service the details will be provided on your regular statement; we can also provide this information to you on request. If the amount of any fee payable to us by third parties is not clear to you, please ask us for further details. Where you deal with us through an Intermediary, they will advise you of their fees and charges.

We charge a fee (a) if we provide you with our Discretionary Property Portfolio Service (b) if we provide BCP Approved Retirement Fund, BCP Approved Minimum Retirement Fund and BCP Personal Retirement Bond contracts or (c) if we arrange a product for you with a product producer with whom we do not hold an appointment in writing. These fees are currently as follows:-

- (a) 0% per annum of the investor's assets under management.
- (b) For investments into BCP Capital Secure Bonds ('Bond'), BCP receive an annual management fee of [0.5% of the of the original amount invested in the Bond x Term of the Bond]. This is deducted from the investment amount before the allocation to the Bond is made.
- (c) The fee will reflect the average level of commissions payable by other product producers for similar types of products; if no such commission is payable we will advise you of the basis of calculation of our fee at the time.

The fees in (a) and (b) above are in addition to any charges applying to any underlying product you invest in or in which BCP invests on your behalf, for example through the Discretionary Property Portfolio Service.

If other fees or charges apply to the provision of our services, we will advise you in writing of the amount payable in advance, or if the amount is not known at the time, the basis of calculation of the amount payable. Unless otherwise advised to you (for example in connection with a particular product or service) we will issue you with an invoice for the amount due which may be settled by cheque or bank transfer to our account.

We do not receive any soft commissions.

If we receive recurring remuneration this will be in respect of the provision to you of ongoing product information we believe to be relevant to your circumstances and providing responses to any ongoing queries you may have on the contract once you have taken it out. It also contributes to our costs in supporting you with claims including maturity claims.

We will, if necessary, exercise our legal rights to receive any payments due to us from clients for business services provided by us and to be reimbursed for any value obtained by the firm for clients arising from payments by the firm on behalf of clients who subsequently default in any payment due to the firm. Bank fees charged on unpaid cheques will be charged to you and are payable in full with all other outstanding balances. No agency transfer may be affected until the account is cleared in full.

## TAXES, LEVIES AND OTHER STATUTORY PAYMENTS

Statutory taxes and levies and other charges that are neither imposed by us nor paid via us may also be payable by you.

Any information provided by us on statutory payments will be general in nature and based on our understanding of then current legislation; this is subject to change without notice. We cannot be held responsible for any adverse consequences of such a change. Prior to investing in a product or service you should ensure you understand any taxation and levies which will be payable on your investment and on any income, encashment or maturity payment.

## REPORTING

We will provide you with the following reports:

A paper valuation will be provided once a year in January.

Where you register for our secure client login website ([crm.bcp.ie](http://crm.bcp.ie)), PDF valuations will be made available once a year via your online account. Prices for BCP products will be updated at least quarterly, and available to view online. If you register for [crm.bcp.ie](http://crm.bcp.ie), we will not issue you with paper valuations.

Documentation evidencing the transaction, for example, contract note or policy document will be sent to you in respect of every transaction. You should check the accuracy of information provided to you in this document and other reports and contact us immediately in the event that you believe the information to be incorrect. We will assume that you have received the documentation and that the details on it are correct unless you contact us within 48 hours of the date on the documentation. We reserve the right to correct errors at any time.

## CONFLICTS OF INTEREST

It is our policy to avoid any conflict of interest when providing services to clients. We have a Conflicts of Interest Policy to manage such situations. The Policy defines what is meant by Conflict of Interest and sets out the circumstances which constitute, or may give rise to, material conflicts of interest between our interests and the interests of our clients; the procedures to be followed and measures to be adopted in order to prevent or manage such conflicts; how conflicts of interest can arise; the role of senior management (to ensure that any actual or potential conflicts that may exist are kept under review on an ongoing basis and that appropriate controls exist to identify and manage any such conflicts) and how conflicts are advised to clients. The policy also sets out the measures in place in the firm to avoid conflicts of interest.

Where arrangements to manage such conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to client interest will be prevented, we will clearly disclose the general nature and/or source of these conflicts to a client before undertaking business on behalf of that client. However, we may decline to act in any circumstances where there is a residual risk of damage to the interests of any client. The Conflicts of Interest Policy is underpinned by procedures designed to avoid, and where the avoidance of such conflicts cannot be reasonably assured, to manage those conflicts.

Further details of this policy are available on request.

## CLIENT ASSETS

Money held by us on your behalf will be held in a client bank account in accordance with Central Bank of Ireland Client Assets Requirements (as may be amended or replaced from time to time), separate from our own money and cannot be subject to any claim in respect of any money owed by us. No interest will be applied unless specifically agreed in writing.

We can lodge funds received in sterling to a sterling client bank account. However, for all other currencies (with the exception of Euro) where we do not have a client asset account denominated in that currency, we will convert the funds at the prevailing exchange rate and hold the funds in a Euro client bank account.

**Important:** Your assets may be held by us or Eligible Third Parties with other clients' assets as part of a common pool so you do not have a claim against a specific sum in a specific account; your claim is against the client assets pool in general. In the case of any such pooled client account we will ensure that such account is in the name of BCP Asset Management DAC, is designated as a client asset account and that only we are entitled to issue instructions in respect of such accounts.

In the absence of our own fraud, negligence or wilful default, we do not accept any liability in the event of default of an eligible credit institution, relevant party or eligible custodian with whom client assets are held.

## PAYMENTS AND RIGHT OF SET-OFF

We will issue receipts for each payment received from you and these should be retained in a safe place.

We do not have any security interest or lien or right to set-off over client financial instruments or funds unless we advise you so in writing. Note, a depository used by the firm may have a security interest or lien over, or right of set-off in relation to those instruments or funds.

Product producers may withdraw benefits or cover on default of any payments due under any products arranged for your benefit. Details of these provisions will be included in your product terms and conditions.

## COMPLAINTS

We have written procedures in place for the effective consideration and handling of complaints and a copy of this Complaints Procedure is available on request. Any written complaint you may have should be addressed to the Compliance Officer, BCP Asset Management DAC, 71 Upper Leeson Street, Dublin 4. Where a complaint cannot be resolved within 5 business days we will issue you with an acknowledgement of its receipt by us. All complaints will be fully investigated and the outcome of the investigation will be communicated to you within 5 days of completion of the investigation. We aim to investigate and resolve the complaint within 40 business days of having received it and provide a regular written update on progress at intervals of not less than 20 days. If you are dissatisfied with our handling of the complaint or our response to it you may refer the issue to the Financial Services Ombudsman ([www.financialombudsman.ie](http://www.financialombudsman.ie)) or the Pensions Ombudsman ([www.pensionombudsman.ie](http://www.pensionombudsman.ie)), as appropriate.

## MONEY LAUNDERING AND TERRORIST FINANCING

We are subject to the provisions of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended. As with other professional services firms, we are under stringent requirements to identify our clients for the purposes of the anti-money laundering and combating terrorist financing legislation. We are likely to request from you, and retain, some information and documentation for these purposes and/or to make searches of appropriate databases. You are responsible for providing the information requested to us in a timely manner. If satisfactory evidence of your identity or the identity of any party connected to the proposed transaction as required by relevant legislation is not provided within a reasonable time, we may not be able to proceed with your business transaction. We will not be responsible for any loss which may arise in these circumstances.

Directors and staff have obligations to report to the Gardaí and Revenue Commissioners where they know or have reasonable grounds to suspect a transaction may be connected with money laundering or terrorist financing. We are prohibited from discussing such reports with you because of the restrictions imposed by the tipping off provisions in the legislation. You are entering into a business relationship with us in order to avail of a service we are authorised to provide.

## INVESTOR COMPENSATION

We are a member of the Investor Compensation Scheme ("ICCL") established under the Investor Compensation Act, 1998. This Act provides for the establishment of a compensation scheme and the payment, in certain circumstances, of compensation to certain clients (known as "eligible investors") of authorised investment firms, as defined in that Act.

Compensation may be payable where money or investment instruments owed or belonging to clients and held, or in the case of investment instruments, administered or managed by this firm, cannot be returned to those clients for the time being and there is no reasonable foreseeable opportunity of the firm being able to do so.

### A RIGHT TO COMPENSATION WILL ARISE ONLY:

- if the client is an eligible investor as defined in the Act. Professional clients are not eligible investors.
- If it transpires that the firm is not in a position to return client money or investment instruments owed to or belonging to the clients of the firm; and
- To the extent that the client's loss is recognised for the purposes of the Act.
- Where an entitlement to compensation is established, the compensation payable will be the lesser of:
  - 90 per cent of the amount of the client's loss which is recognised for the purposes of the Investor Compensation Act 1998, or
  - Compensation of up to €20,000.

As a member of the Irish Brokers Association ("IBA"), we are also a member of the IBA Compensation Fund Ltd. Subject to the rules of the scheme the liabilities of member firms up to a maximum of €100,000 per client (€250,000 in aggregate) may be discharged by the Fund on its behalf if the member firm is unable to do so, where the ICCL has failed to adequately compensate any client of the member. In addition to the above mentioned compensation we also hold Professional Indemnity Insurance.

### **JOINT APPLICANTS**

If you open an account in the name of more than one person, or on behalf of a corporation or other legal entity then we will be able to act on the instruction of any one person named at the time of the application, or as subsequently advised to us in writing, unless specifically otherwise agreed with us in writing.

Where these Terms of Business refer to “client” this will mean the clients jointly and severally. If one joint holder dies, the securities will be held for the client(s) who survive(s).

If we receive instructions from any person authorised to issue them that in our view conflict with instructions received from another authorised person, we may act on the instructions and/or advise each authorised person of the apparent conflict and/or take no action until we receive instructions that are satisfactory to us.

We are entitled to hold you joint or severally liable for any debt or charge arising out of these Terms.

When we assess appropriateness for joint applicants or non-personal entities, we will base our assessment on our understanding of financial experience and knowledge on that applicable to the most experienced person connected with the application.

### **LIABILITY FOR LOSS**

We and any person or company connected with us (including our or their directors, employees or agents) do not have any responsibility for any loss or loss of profit you suffer as a result of performing or not performing the firm's obligations under these terms. Any instructions you give are your responsibility and we will not be liable for any loss arising from carrying out or failing to carry out any of your instructions or for any loss you suffer as a result of transferring any invalid or forged instrument. However, this will not exclude or restrict any obligation that we owe to you under the rules of any relevant regulatory body, or by law.

### **OTHER GENERAL TERMS**

Additional terms and conditions will apply to individual investments made and you should carefully read and understand these in advance of making an investment (“Additional Terms”). We may also provide you with specific or general risk warnings in relation to some products or transactions. You undertake to read such risk warnings which may be set out in a Risk Warning Notice or similarly described section in the Additional Terms.

We will not have breached these terms if we fail to carry out our duties and obligations as a result of any event beyond our reasonable control, including without limitation - fire; act of Government or State; act of God; war or civil commotion; embargo; terrorism; inability to communicate with relevant third parties for whatever reason; failure of any computer system; being prevented from using any fuel or other supplies; labour disputes; late delivery or late payment by any other person or any other reason.

If we decide not to enforce any of our rights, it will not mean we cannot enforce them in the future. The rights in these terms apply as well as any rights we and you have in law. If any of these terms are not valid or cannot be enforced it will not affect the rest of the terms and the rest of the terms will apply as if the invalid or unenforceable terms had not been included.

- These Terms of Business are valid from May 2017 until updated. Updates will be posted on our website ([www.bcp.ie](http://www.bcp.ie)) and may be posted or emailed directly to you at the last address for correspondence we have on our records for you.



## SCHEDULE 1

### MiFID Investor Protections which do not apply to Professional Clients

In accordance with statutory instrument 60 of 2007, the European Communities (Markets in Financial Instruments) Regulations 2007, Professional Clients will not receive the same level of investor protection as that provided to Retail Clients. Specifically:

- You will not receive a written basic agreement in a durable medium setting out the rights and obligations of the firm and you as set out in 94(12) of the MiFID Regulations
- You will not receive the same risk warnings or disclosures as Retail Clients
- You will not be provided with the information listed in Regulation 82, which includes:
  - General information about the firm (name, address, method of communication, authorisation)
  - Nature and frequency of reports on performance of service
  - Details of any relevant investor compensation scheme
- You will not be entitled to investor compensation as outlined in the Investor Compensation Act
- If the service is portfolio management, you will not be provided with the information listed in Regulation 83(2) which includes details of any delegation of the discretionary management of all or part of the portfolio and a specification of any benchmark against which the performance of the portfolio will be compared
- You will not be provided with information regarding the safeguarding of client instruments (also referred as the Central Bank of Ireland's Client Money requirements) as outlined in Regulations 88 to 91
- You will not be provided with a description of the conflicts of interest policy as outlined in Regulation 82(h)
- You will not be provided with detailed information in respect of the costs and associated charges of MiFID services provided by the firm as outlined in Regulation 92
- For Orders other than for portfolio management, you will not receive a notice in a durable medium confirming execution of the order:
  - I. As soon as possible and no later than the first business day following execution, or
  - II. If the confirmation is received by the investment firm from a third party, no later than the first business day following receipt of the confirmation from the third party.
- You will not receive the following information as set out in Regulation 96(6) which includes:
  - a) The reporting firm identification; b) The name or other designation of the client; c) The trading day; d) The trading time; e) The type of the order; f) The venue identification; g) The instrument identification; h) The buy/sell indicator; i) The nature of the order if other than buy/sell; j) The quantity; k) The unit price; l) The total consideration; m) A total sum of the commissions and expenses charged and where the retail client so requests, an itemised breakdown; n) The client's responsibilities in relation to the settlement of the transaction, including the time limit for payment or delivery as well as the appropriate account details where these details and responsibilities have not previously been notified to the client; o) If the client's counterparty was the investment firm itself or any person in the investment firm, the fact that this was the case unless the order was executed through a trading system that facilitates anonymous trading.
- For Portfolio Management services you will not receive periodic reports containing information contained in Regulation 96(10) which includes:
  - (a) the name of the investment firm; (b) the name or other designation of the retail client's account; (c) a statement of the contents and the valuation of the portfolio, including details of each financial instrument held, its market value, or fair value if market value is unavailable and the cash balance at the beginning and at the end of the reporting period, and the performance of the portfolio during the reporting period; (d) the total amount of fees and charges incurred during the reporting period, itemising at least total management fees and total costs associated with execution, and including, where relevant, a statement that a more detailed breakdown will be provided on request; (e) a comparison of performance during the period covered by the statement with the investment performance benchmark (if any) agreed between the investment firm and the client; (f) the total amount of dividends, interest and other payments received during the reporting period in relation to the client's portfolio; (g) information about other corporate actions giving rights in relation to financial instruments held in the portfolio; (h) for each transaction executed during the period, the information referred to in Regulation 96(6)(c) to (l) where relevant, unless the client elects to receive information about executed transactions on a transaction-by-transaction basis, in which case paragraph (14) applies.
- For portfolio management or operation of client accounts that include an uncovered open position in a contingent liability transaction, you will not receive reports on any losses exceeding any predetermined threshold agreed (Regulation 96(17)).
- The firm will not maintain a complaints procedure as required for Retail Clients under Regulation 38.

We may at our discretion provide information and documentation to a standard which meets that required for Retail Clients but we are under no obligation to do so. If we decide not to enforce any of our rights it does not mean we cannot enforce them in the future.

## CLIENT ASSET KEY INFORMATION DOCUMENT “CAKID”

The new Client Asset Regulations (Statutory Instrument 104 of 2015) (the “Regulations”) were issued pursuant to Section 48 of the Central Bank (Supervision and Enforcement) Act 2013. The new Regulations are effective from 1st October 2015. BCP Asset Management DAC (“BCPAM”), as an investment firm regulated by the Central Bank of Ireland, must ensure that we hold client assets in accordance with the Regulations. Please consult the Central Bank of Ireland website for further information, including the Central Bank’s Guidance document, on the new Client Asset Regulations <http://www.centralbank.ie/regulation/clientassetsandinvestormoney>

The key purpose of the Client Asset Regulations (“CAR”) is to protect the safeguarding and handling of Client Assets i.e. the funds that you place with an eligible credit institution via BCPAM. The client assets regime however cannot fully eliminate all risks relating to client assets (such as fraud and negligence). The Client Assets regime does not have an influence on the value of the client assets. Client assets mean clients funds and financial instruments. Financial instruments are defined as tradable assets of any kind, for example cash, evidence of an ownership interest in an entity, or a contractual right to receive or deliver cash or another financial instrument.

The purpose of this document is to explain to you in clear, succinct and comprehensible language the key features of the Regulations and how they impact on you.

### *Examples of circumstances in which assets are client assets*

Cheques and other payable orders become client funds from the time we receive them. This does not include instances whereby the payment is made payable to a third party e.g. a product producer. Funds sent to a client by way of cheque or other payable order do not cease to be client funds until the cheque or other payable order is presented and paid by the eligible credit institution.

### *Examples of circumstances in which assets are not client assets*

Where a client transfers full ownership to an investment firm for the purpose of securing or otherwise covering present or future actual or contingent or prospective obligations such client assets should no longer be regarded as belonging to the client.

The Regulations are set out under seven core Client Asset Principles, as follows;

#### **1. SEGREGATION**

BCPAM must hold client assets separate from the firm’s own assets and maintain accounting segregation between the firm’s own assets and those assets that belong to clients.

#### **2. DESIGNATION & REGISTRATION**

BCPAM must ensure that all of its internal records and those of third parties (e.g. Eligible Credit Institutions) clearly illustrate that all client assets are clearly identifiable and separate from the firm’s own assets.

#### **3. RECONCILIATION**

BCPAM must keep accurate records and books to enable it at any time, and without undue delay, to provide an accurate record of the client assets being held. This covers each individual client and also the total funds held in client asset accounts.

BCPAM must reconcile their internal records with those of the third party who physically hold the client assets e.g. an Eligible Credit Institution. This is done by way of reconciling internal accounting records against a third party statement such as an eligible credit institution statement.

#### **4. DAILY CALCULATION**

Each business day BCPAM must undertake a calculation to ensure that the sum total of all of its internal client asset accounts equate to what the third parties show on their statements. A business day is generally defined as a day eligible credit institutions in Ireland are open for business. BCPAM may, with the consent of the Central Bank, defer a Daily Calculation, for example over the Christmas period.

#### **5. CLIENT DISCLOSURE AND CLIENT CONSENT**

BCPAM must provide information to all its clients informing them how and where their client assets are held and also inform them of the resulting risks thereof.

#### **6. RISK MANAGEMENT**

BCPAM have put in place systems and controls to identify potential risks to client assets and relating mitigants to counteract those risks. These include a Head of Client Asset Oversight, a Compliance Officer and a Compliance and Risk Committee.

#### **7. CLIENT ASSET EXAMINATION**

BCPAM engage the services of an external audit firm to carry out a review, at least on an annual basis, and issue a report stating how the firm is adhering to the Regulations and the safeguarding of client assets.

Capital security of your funds is provided by the relevant credit institution (a 'credit institution' include an eligible credit institution holding client assets). In the event of the credit institution failing to meet its liabilities you could lose some or all of your money.

#### **INVESTMENT RISK**

All investments carry some degree of risk to your capital and the value of investments may go down as well as up. BCP brochures provide details of the principal risks to your capital and should be read in advance of making any investment. We recommend you obtain financial advice prior to investing.

#### **HOW DOES BCP HOLD CLIENT FUNDS?**

BCPAM will hold client funds which are pooled with other clients' fund. Clients have a claim against the client assets pool in a specific account. Client assets are held with the relevant eligible credit institution in an account within the State or the EEA. If client funds are to be (i) passed to a third party outside the State or the EEA; or/and (ii) where any lien, security interest and/or right of set-off is granted over the client's assets then BCPAM must notify you in writing.

#### **CLIENT ASSETS HELD OVERSEAS**

Where client assets are to be held by a third party outside of Ireland, the firm will advise you of the name of the regulatory authority to which they are responsible, the regulations that the third party is subject to, any applicable risks or limitations, the basis on which that third party was selected, and whether it is related to the firm or independent of it. The firm must also confirm what investor compensation scheme applies, the arrangements that apply to the holding of client assets, the risks associated with those arrangements, and controls in place to mitigate such risks.

#### **CONTACT**

If you any queries or require clarification on the contents of this document please contact the Head of Client Asset Oversight, BCP Asset Management DAC, 71 Upper Leeson Street, Dublin 4. Telephone 01 668 4688.

**May 2016**