



# BCP GLOBAL ASSET BOND 3

**A CAPITAL SECURE BOND THAT PROVIDES ACCESS TO THE PERFORMANCE OF A SUCCESSFUL MULTI-ASSET FUND WHICH HAS A PROVEN PERFORMANCE TRACK RECORD SINCE 2002**

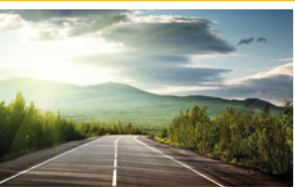
- Underlying fund has a proven track record of consistent returns and low volatility
- **140% Participation** in the Fund Performance
- Protected Version also available with **70% Participation**
- Enhanced Terms – Bonus of 2% Available
- Investment Term **5 years**
- **Closing Date 17th June 2015**
- Minimum investment amount €20,000



**CAPITAL SECURITY PROVIDED BY BANK OF IRELAND**



**BCP** SERVING INVESTORS FOR OVER 45 YEARS  
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AVAILABLE TO PENSION PLATFORM INVESTORS ONLY

# BCP GLOBAL ASSET BOND 3

This innovative bond offers investors access to the performance of a successful multi-asset fund which has a proven performance track record since 2002. The Bond may pay investors a return linked to the Performance of the Ethna-AKTIV Fund (the "Fund"), managed by Ethenea Independent Investors ('Ethenea'), over the 5 year investment Term, with the additional benefit of 100% or 97% capital security provided at maturity by Bank of Ireland.

## BACKGROUND ON THE FUND MANAGER – ETHENEA

Ethenea is an independent investment company headquartered in Switzerland managing approximately €11.8bn in assets for European investors. Ethenea was established in 2002 with the launch of their flagship multi-asset fund – Ethna-AKTIV. The Ethenea investment team is a highly experienced group of portfolio managers and analysts whose guiding investment principles include:

- A focus on capital preservation and positive investment returns
- Minimising risk through a balanced investment strategy
- Portfolio diversification across sectors and asset classes
- Reducing portfolio volatility and uncertainty
- Accuracy of asset allocation decisions are key drivers of performance

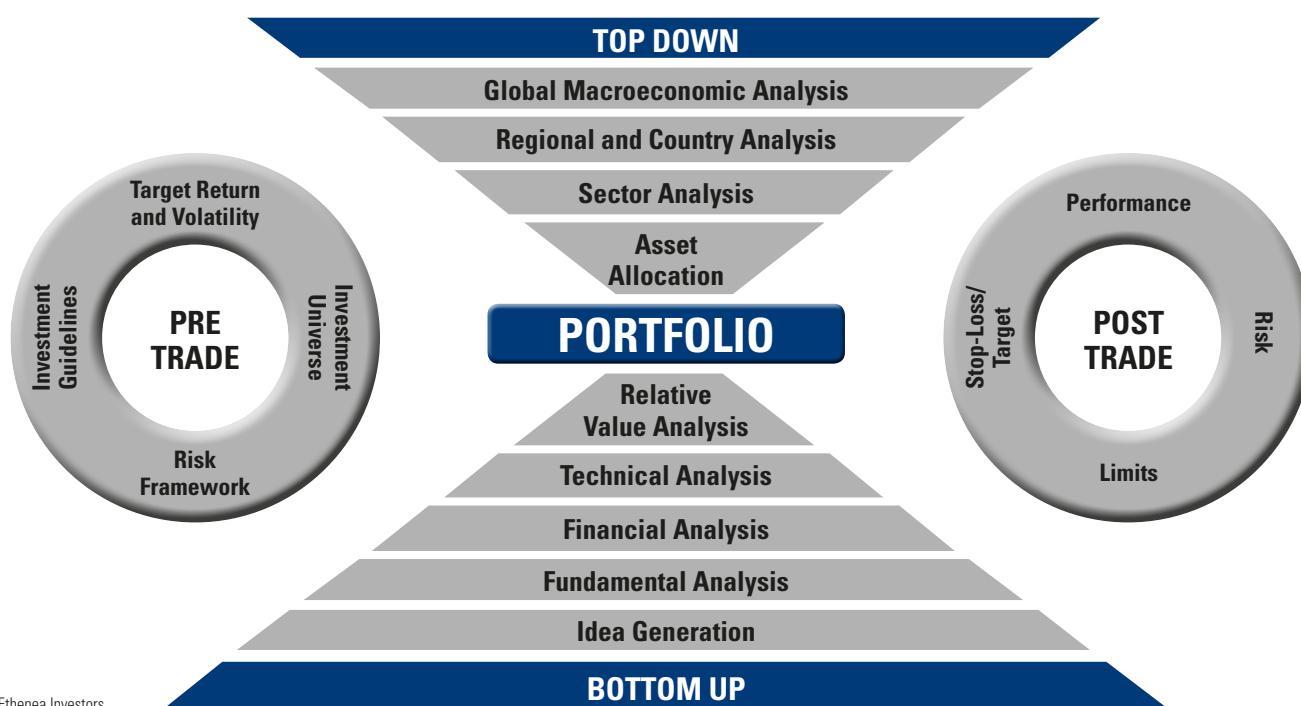
## OVERVIEW OF THE FUND – ETHNA-AKTIV

The Ethna-AKTIV Fund is a multi-asset fund investing in global equities, global bonds and cash. The Fund currently has approximately €9bn in assets under management and was launched in 2002 meaning the investment team have successfully guided the Fund's investors through a variety of market and economic conditions. The primary objective of the Fund is to generate a positive return in every market situation. The Fund has a target return of 5-10% with volatility below 6%. Depending on the market environment, the equity allocation of the Fund will be actively adjusted between 0%-49%. The investment team employ a fundamental approach to investing and have designed a Fund for investors that appreciate stability, capital preservation and return generation. To summarise:

- A long running fund with a successful return and low volatility history (5 year annualised volatility is 4.1%)
- Since inception in 2002 the Fund has returned +173.3% (CAR 8.0%)
- The Fund invests in global equities, bonds and cash
- The Fund has a target return of 5%-10% per annum
- The Fund is aiming to preserve capital and achieve long-term value
- The investment strategy combines flexibility with balance

The Fund can use derivatives and options at its discretion for hedging existing portfolio investments and as a tactical investment tool in special market conditions.

## INVESTMENT PROCESS OF ETHNA-AKTIV FUND:



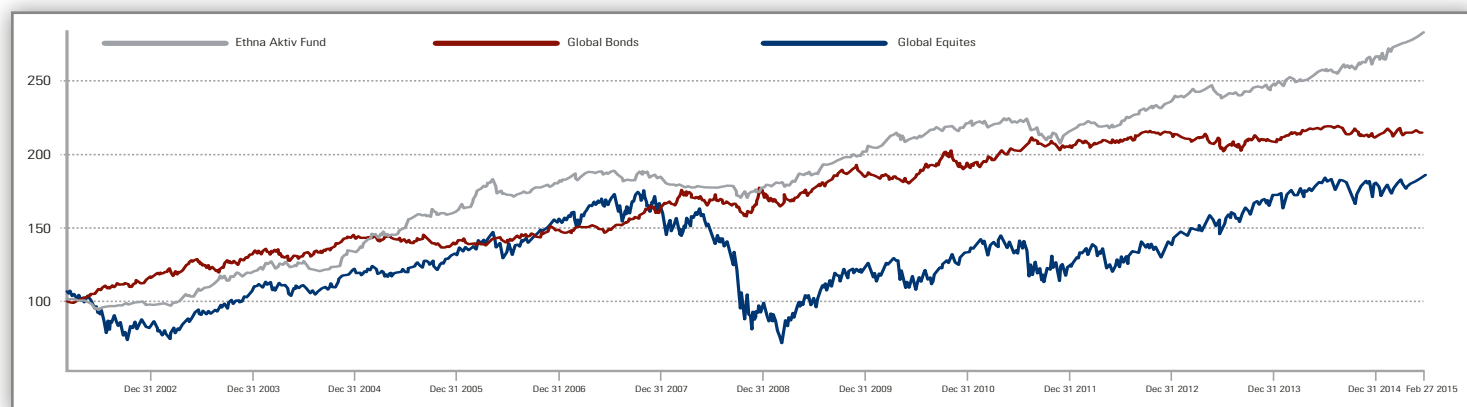
Source: Ethenea Investors

# BCP GLOBAL ASSET BOND 3

## PERFORMANCE OF FUND SINCE LAUNCH - CAR 8.0%

Since its launch in 2002 the Fund has navigated very successfully through a variety of economic and market conditions. Employing a cautious, balanced and flexible investment strategy has resulted in a successful performance track record with a low volatility profile. As illustrated in the chart below, the Fund has consistently proven its ability to generate strong returns with low volatility using a flexible and active approach to portfolio management. Below we have compared the performance of the Fund to Global Equities (MSCI World Index) and Global Bonds (JPM Global Bond Index), both indices are widely recognised as benchmarks for global equity and global bond performance.

Since launch in 2002, the Fund has returned over 173.3% (CAR 8.0%).



Source: Bloomberg and Ethenea. Performance figures are net of fees and gross of taxation. Figures are quoted from February 18th 2002 to February 27th 2015. The MSCI World Bloomberg code is MXWO and the JPM Global Aggregate Bond Bloomberg code is JGAGGUSD. The fund performance shown reflects the distributing share class, ETHAKTE LX, of the Ethna-AKTIV Fund. The BCP Bond will track the accumulating share class of the same Fund, ETAKTVE LX. The accumulating share class was launched in 2009, in order to provide a long term picture of the performance we used the distributing share class in the graph which was launched in 2002. Please note that the past performance of the two share classes has been very similar.

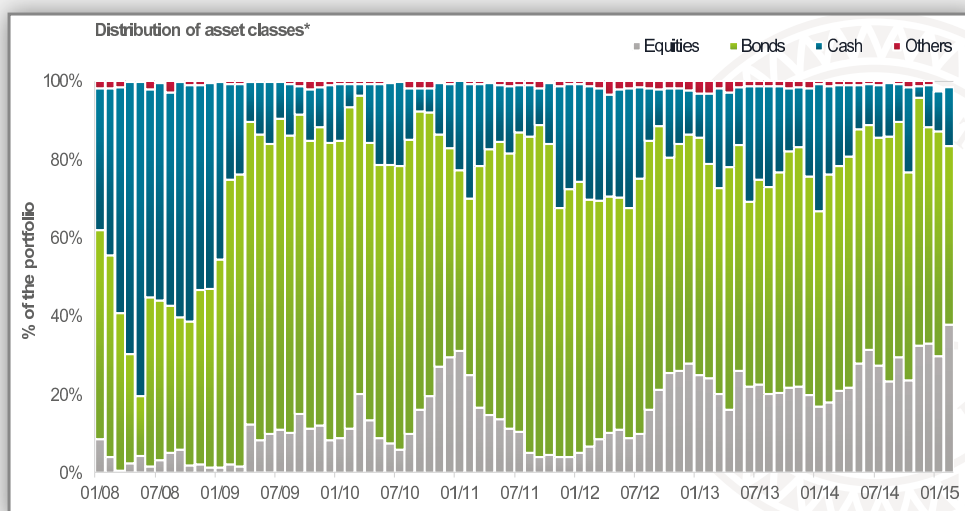
	PERFORMANCE	DATES
Average 5 year return	42.3%	28.02.2002 - 27.02.2015
Best 5 year return	95.1%	14.07.2002 - 14.07.2007
Worst 5 year return	15.7%	26.11.2006 - 26.11.2011
Recent 5 year return	31.1%	27.02.2010 - 27.02.2015

## ASSET ALLOCATION HISTORY:

As illustrated in the chart below the Ethna-AKTIV Fund has shown its ability to actively manage its asset allocation across equities, bonds and cash over the last 7 years during a highly complex period of investment market and economic conditions.

## WHY THE ETHNA-AKTIV FUND

At BCP we believe its essential that the underlying Fund that is being tracked by our Bonds has a proven ability to generate performance. Based on the complexity and volatility of investment markets we believe the underlying manager needs a flexible and balanced approach to asset allocation and security selection. The Ethna-AKTIV Fund, and its manager Ethenea, have demonstrated their investment credentials over a 13 year history and we believe they are well positioned to continue to generate performance with a low volatility profile over the Term of the BCP Global Asset Bond 3.



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

# BCP GLOBAL ASSET BOND 3

## PERFORMANCE FEES

If at the end of the 5 year term the Gross Return of the Bond is 18% or greater, then a Performance Fee of 1% will be deducted from the Gross Return and paid to BCP. The Performance Fee is paid in addition to the initial fee paid to BCP, where applicable, as described in the Key Features on page 5.

Investors have two versions to choose from within this Bond. The versions have been designed to cater for varying risk and return requirements of individual investors

### BCP GLOBAL ASSET BOND 3 – GROWTH VERSION

Your entire investment is allocated to a 5 year Global Asset Bond 3 - Growth Version ("Growth Version"). At the end of the 5 year Term, the Growth Version will pay 97% of the capital invested plus 140% of the Performance achieved by the Fund over the 5 year Term. For example, if the Performance of the Fund is 30% over the term of the Bond, the return to investors will be 97% of the capital invested plus 42% (30% x 140%) giving a Gross Return of 39%. As the 39% return in this case is above the Performance Fee hurdle rate of 18%, a 1% Performance Fee will be paid to BCP with a return of 38% paid to investors. This is equivalent to 7.6% per annum (CAR 6.7%). If the Performance of the Fund is less than 3.6% you will receive back between 97% and 100% of your investment.

### BCP GLOBAL ASSET BOND 3 – PROTECTED VERSION

Your entire investment is allocated to a 5 year Global Asset Bond 3 - Protected Version ("Protected Version"). At the end of the 5 year Term, the Protected Version will pay 100% of the capital invested plus a further 2% fixed return, along with 70% of the Performance of the Fund over the 5 year Term. For example, if the Performance of the Fund is 30% over the term of the Bond, the return to investors will be 102% of the Remaining Capital invested plus 21% (30% x 70%) giving a Gross Return of 23%. As the 23% return in this case is above the Performance Fee hurdle rate of 18%, a 1% Performance Fee will be paid to BCP with a return of 22% paid to investors. This is equivalent to 4.4% per annum (CAR 4.1%). Even if the Performance of the Fund is negative over the term of the Bond, 102% of the capital invested will be returned.

**WARNING:** The figures above are provided only to illustrate how the Bond works; they should not be taken as an indication of potential returns. The return to you will depend on the version of the Bond you invest in and the actual performance of the Fund which cannot be predicted in advance.

**WARNING:** The value of your investment may go down as well as up. You may get back less than you invest.

**WARNING:** If you invest in the Growth Version you could lose 3% of the money you invest at maturity.

**WARNING:** If you invest in this product, you will not have any access to your money for 5 years.

CAR is Compound Annual Return.

**BCP** Winner of the 'Property Manager of the Year' Award



European Pensions  
Awards Ireland 2014

**BCP** Winner of the 'Specialist Life Service Provider' Award

Irish Brokers  
association



IBA 24th & 25th  
Insurance  
Service Awards



# BCP GLOBAL ASSET BOND 3

## KEY FEATURES

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

### HOW DOES THE BOND WORK?

**YOUR** entire investment is allocated to a 5 year Global Asset Bond 3 – Growth Version and/or Protected Version. At the end of the term, the percentage performance (gain or loss) of the Fund is calculated. This performance if positive, will be multiplied by 140% (Growth Version) or 70% (Protected Version) and added to the capital secure amount to determine the Gross Return of the Bond Version. Bonus interest of 2% is also paid at maturity for the Protected Version. The Growth and Protected Versions offer 97% or 100% capital security at maturity respectively.

**SUITABILITY** | The Bond is not suitable for investors who require regular income or require access to their capital before maturity. The Bond is suitable only as a capital growth investment. The return on the Bond will depend on the Performance of the Fund and will only be determined at the end of the term. No withdrawals may be made before the maturity of the Bond on 26th June 2020. Your money is not invested in the Fund, therefore, you do not benefit from any dividends distributed by the Fund but you will benefit from dividends and income earned within the Fund during the term of the Bond. In order to protect the performance of the Fund from volatility towards the end of the term, the Final Price will reflect the average Fund level on a monthly basis over the final 12 months of the term. The effect of averaging is to protect returns where performance is falling but conversely it may restrict growth where performance is rising. A Performance Fee of 1% will be deducted if the Gross Return of a Bond Version is 18% or higher at maturity.

**CAPITAL SECURITY** | Capital security is provided by Bank of Ireland. In the event Bank of Ireland fails to meet its liabilities, you could lose some or all of your money. Your investment is held in the name of your pension platform provider. As your pension platform provider is the legal owner of the assets, it is important to note that this investment is not covered by the Deposit Guarantee Scheme.

### WHERE DOES MY INVESTMENT IN THE BCP GLOBAL ASSET BOND 3 – GROWTH VERSION GO?

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

The Growth Version provides 97% capital security by placing 88.72% or €8,872 of your investment amount on deposit. This amount will grow to 97% or €9,700 by the end of the 5 year Term.

The Growth Version offers a return of 140% of the Performance of the Fund, less the 3% capital at risk, less any Performance Fee. 9.07% or €907 of your investment amount will be used to purchase this return. If the Performance of the Fund is negative at the end of the 5 year Term, you will receive 97% of your capital invested. This payment represents a 3% loss (CAR -0.6%) on your investment over the period.

BCP will receive a fee of 2.21% or €221 for manufacturing, distributing and administering the Bond, equivalent to 0.44% per annum. As described previously on page 4, a Performance Fee of 1% will be paid to BCP in addition to the fees above if the Gross Return on this version of the Bond is 18% or more at maturity.

### WHERE DOES MY INVESTMENT IN THE BCP GLOBAL ASSET BOND 3 – PROTECTED VERSION GO?

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

The Protected Version provides 100% capital security by placing 91.74% or €9,174 of your investment amount on deposit. This amount will grow to 100% or €10,000 by the end of the 5 year Term.

The Protected Version offers a return of 2% of your investment amount PLUS 70% of the Performance of the Fund, less any Performance Fee. 6.44% or €644 of your investment amount will be used to purchase this return. If the Performance of the Fund is negative at the end of the 5 year Term, you will receive 102% of your capital invested. This payment represents a 2% gain (CAR 0.4%) on your investment over the period.

BCP will receive a fee of 1.82% or €182 for manufacturing, distributing and administering the Bond, equivalent to 0.36% per annum. As described previously on page 4, a Performance Fee of 1% will be paid to BCP in addition to the fees above if the Gross Return on this version of the Bond is 18% or more at maturity.

### DO I HAVE ACCESS TO MY INVESTMENT?

No withdrawals may be made before the maturity of the Bond on 26th June 2020. You have the right to cancel your application for the Bond within two weeks of the date you sign it but no later than the Closing Date.

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

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 Bonds may be redeemed at their realisable value as determined by BCP based on a calculation by the Bank which may be more or less than the capital secure amount.

### WHAT ABOUT TAX?

This Bond is available to pension platform investors only. Pension platform investors are currently exempt from Deposit Interest Retention Tax. Investors should satisfy themselves in relation to the Revenue reporting requirements and the implications of non-disclosure where required.

## TERMS & CONDITIONS

### 1. DEFINITIONS

- 1.1 'you/your/investor' means the customer(s) who is/are investing funds in the BCP Global Asset Bond 3 - Growth Version and/or BCP Global Asset Bond 3 - Protected Version.
- 1.2 the 'Bond', 'Bonds' mean the BCP Global Asset Bond 3 - Growth Version and/or BCP Global Asset Bond 3 - Protected 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 26th June 2015 and maturing on 26th June 2020.
- 1.4 'Interest' means the gross interest calculated in accordance with Section 6 below.
- 1.5 'the Bank' means The Governor and Company of the Bank of Ireland and its successors, assigns and transferees.
- 1.6 'BCP' means BCP Asset Management Limited and its successors, assigns and transferees.
- 1.7 The 'Fund' means the Ethenea - Ethna-AKTIV (T). Bloomberg code ETAKTVE:IX.
- 1.8 'Performance of the Fund' is defined in 6.2 below.
- 1.9 'Performance of the Bond Version' is defined in 6.3 below.
- 1.10 'Gross Return of the Bond Version' is defined in 6.4 below.
- 1.11 'Performance Fee' is defined in 6.5 below.

### 2. YOUR INVESTMENT

- 2.1 BCP will lodge your investment in the Bond to a clearing account at the Bank. The funds will then be swept to a client asset account with the Bank in the name of BCP. You will receive a confirmation from the Bank of your investment in the Bond.
- 2.2 At the end of the Term, on advice from BCP, the Bank will pay (1) 100% of the capital invested in the Protected Version and/or (2) 97% of the capital invested in the Growth Version, together with any Interest earned on the capital invested.
- 2.3 Your money is not invested in the Fund, therefore, you do not benefit from any dividends distributed by the Fund, but you will benefit from the dividends and income earned within the Fund during the term of the Bond.
- 2.4 All payments from the Bond will be paid to the trustees of the plan, or the investing Life Company, as appropriate to be added to your pension benefits.

### 3. AVAILABILITY

- 3.1 The closing date for applications is 17th June 2015, or earlier if fully subscribed (the 'Closing Date').
- 3.2 The minimum investment is €20,000.
- 3.3 The Bonds are available to individuals who are aged 18 or over wishing to invest their pension funds.

### 4. COOLING OFF PERIOD

You have the right to cancel this contract prior to the Closing Date of the Bonds. If you wish to cancel, written notice must be received by BCP Asset Management Limited at 71 Upper Leeson Street, Dublin 4 within two weeks of your application but no later than 17th June 2015.

### 5. WITHDRAWALS

- 5.1 No withdrawals may be made from the Bond before the end of the 5 year Term.
- 5.2 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 Bonds may be redeemed, subject to the terms of the rules of the underlying scheme or policy, at their realisable value as determined by BCP and the Bank which may be more or less than the capital secure amount.

### 6. INTEREST

- 6.1 The Interest credited by the Bank to the 5 year deposit on maturity is calculated for each Bond Version as the Performance of the Bond Version less the Performance

Fee, and is calculated in accordance with 6.2, 6.3, 6.4 and 6.5. This Interest, if positive, will be added to the capital secure amount to calculate the final return.

- 6.2 Performance of the Fund is calculated as (Final Price – Initial Price) / Initial Price where (1) the Initial Price of the Fund is the closing level of the Fund on 19th June 2015 or the next business day for the Fund; (2) the Final Price is the simple average of the Fund values taken at monthly intervals from and including 19th June 2019 to and including 19th June 2020 or the next business day of the Fund.
- 6.3 Performance of the Bond Version is calculated for the Growth Version as (Performance of the Fund x Participation of 140%), and for the Protected Version as 2% PLUS (Performance of the Fund x Participation of 70%).
- 6.4 Gross Return of the Bond Version is calculated as (Performance of the Bond Version – Capital at Risk) where Capital at Risk is 0% for the Protected Version, and 3% for the Growth Version.
- 6.5 The Performance Fee for each Bond Version is 1% where the Gross Return at maturity for that Bond Version is 18% or higher.
- 6.6 If the Performance of the Fund is zero or negative at maturity, you will receive 102% of the capital invested in the Protected Version and 97% of the capital invested in the Growth Version.
- 6.7 Should any event occur during the 5 year Term which in BCP's absolute discretion constitutes a substantial change to the Fund, force majeure or hedging disruption, BCP shall be entitled to substitute the Fund with another Fund, to unwind the Bonds at the then current market value or to suspend operations of the Bonds 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).
- 6.8 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 Bonds to preserve the economic equivalent of your investment prior to the occurrence of such event.
- 6.9 No interest will be paid to you in relation to the period up to 26th June 2015.

### 7. MATURITY

BCP will contact you before the Bond matures to advise of repayment and reinvestment opportunities available at that time. At maturity on 26th June 2020, BCP will instruct the Bank to electronically transfer your capital sum secured together with any Interest earned to your pension platform provider. If for any reason Interest on the Bonds cannot be determined by the maturity date, the Bank will pay the capital sum secured and any Interest, 2 business days after the Interest can be determined.

### 8. COMPLAINTS

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

as appropriate by contacting the relevant office.

### 9. CONFIDENTIALITY

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

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

### 10. DATA PROTECTION

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

### 11. CANCELLATION

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

### 12. VARIATION

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

### 13. CLIENT ASSET ACCOUNTS

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

### 14. BOND OPERATION

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

### 15. GOVERNING LAW AND JURISDICTION

Our relationship with you and these Terms and Conditions are governed by and shall be construed in accordance with the laws of Ireland. By signing the application form and subsequent investment instruction form as issued by your pension platform provider, you agree that any dispute may be resolved by the courts of Ireland.

### 16. DEPOSIT GUARANTEE SCHEME/CAPITAL SECURITY

Capital security is provided by Bank of Ireland. In the event Bank of Ireland fails to meet its liabilities, you could lose some or all of your money. Your investment is held in the name of your pension platform provider. As your pension platform provider is the beneficial owner of the assets, it's important to note that this investment is not covered by the Deposit Guarantee Scheme.



BCP Asset Management Limited

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