



**KBC INVESTMENT FUNDS**

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**LOOKING FORWARD TO YOUR KIND OF FUTURE**

KBC Bank Ireland plc is regulated  
by the Central Bank of Ireland.

**THE BANK OF YOU**



# WHY INVEST WITH KBC?

**IF YOU ARE READING THIS, CHANCES ARE YOU  
ARE ALREADY THINKING ABOUT YOUR FUTURE,  
YOUR SHORT TERM OR LONG TERM GOALS.**

This may mean putting away some of your well earned money for the kind of life you're hoping for. KBC is here to help with a range of investment products geared towards making your investments work for you.

## STRENGTH

We're part of KBC Group, a Belgian bank with over 37,000 employees and 9 million customers worldwide, making it one of Europe's biggest banks.



## AMBITION

We've been in Ireland for over 40 years, and since 2013 we expanded to offer Current Accounts, Credit Cards and Personal Loans as well as Savings, Mortgages, and Insurance. We're here to offer you real value and personal service.



## GROWTH

Over 40,000 people have joined KBC since January 2013.



## TRUST AND EXPERIENCE

Your investment fund will be managed for KBC Bank Ireland by KBC Asset Management (KBC AM) who have 65 years of experience in the fund management field. KBC AM is part of the same group as KBC Bank Ireland.



# INVESTMENTS THAT PUT **YOU** AT THE CENTRE

Whatever your financial goals, if you decide to invest with KBC, you can avail of our **FREE INVESTMENT ADVISORY SERVICE** to help you achieve them.

We keep you at the centre of the process. First, we need to know what kind of investor you are. Your Investment Specialist will help you in determining this. We'll start by asking some questions about your financial situation, your attitude to risk and your future financial needs. These are the characteristics that determine who you are as an investor.

## INVESTMENT TO US ISN'T A TRANSACTION, IT'S A RELATIONSHIP

As you make your investment, you should be comfortable every step of the way. Once you make an initial inquiry, you will meet your dedicated Investment Specialist who will be your personal contact from then on.

You can talk to your Investment Specialist anytime:

**Pop into** your nearest Hub, a list of our locations can be found on [kbc.ie](http://kbc.ie)

**Call** 1800 51 52 53 to arrange a meeting with a Mobile Advisor

**Visit** [kbc.ie](http://kbc.ie)

# STEP BY STEP GUIDE TO KBC INVESTMENT FUNDS

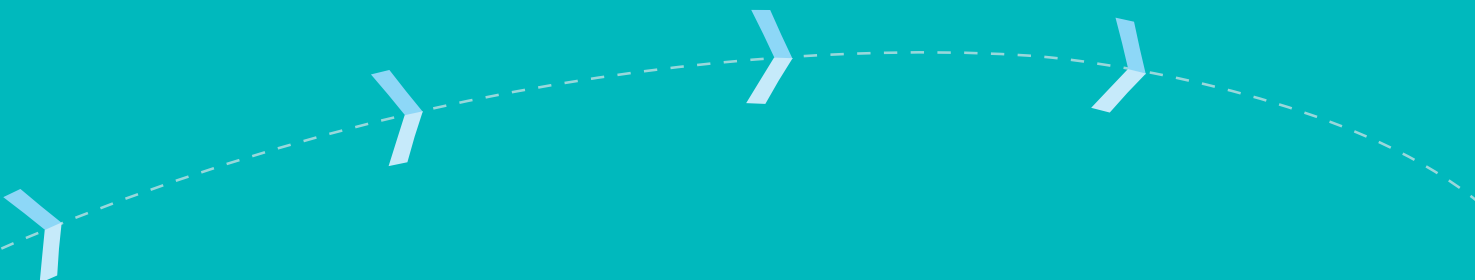
## HOW DOES THE ADVISORY PROCESS WORK?

- 1** Drop into one of our Hubs or call 1800 51 52 53 to arrange a meeting with one of our Mobile Advisors.
- 2** If you wish to receive advice, we will talk to you about our free Investment Advisory Service.
- 3** Complete a risk questionnaire together with your Investment Specialist. This allows us to determine your risk profile and to provide you with the most suitable investment options.
- 4** The advisory service does not stop here, each time you make an investment we will provide several product suitability checks to ensure you and your investment goals remain aligned.

## WHAT HAPPENS WHEN I MAKE AN INVESTMENT?

- 1** You will first need a KBC Current Account or a KBC Demand Savings Account.
- 2** Your KBC Investment Specialist will assist you in placing your funds into the Investment Fund that's most suited to you.
- 3** When investing in a KBC Investment Fund, you as Beneficial Investor, appoint KBC as nominee to act on your behalf.\*

\*For more information on Beneficial Investor: Nominee Relationship, please refer to our Investment Fund Terms and Conditions.







# A QUESTION OF RISK

We will help you complete a **KBC Investment Risk Questionnaire**, which is designed to determine your risk profile. This risk questionnaire provides:

**An Objective Assessment focused on:**

- Your investment knowledge and experience
- Your financial situation and personal circumstances
- Your investment objectives

**A Subjective Assessment focused on:**

- Your investment goals
- Risk-related parameters

## 4 RISK PROFILES

The Risk Questionnaire will ascertain your distinct risk profile which then corresponds to a particular type of investment fund. Your Investment Specialist will bring you through these in more detail:

**1. VERY DEFENSIVE RISK PROFILE**

Suggests an investment fund that includes both bonds and cash.

**2. DEFENSIVE RISK PROFILE**

Suggests a higher ratio of bonds to equity.

**3. DYNAMIC RISK PROFILE**

Suggests an equal ratio of equity and bonds.

**4. VERY DYNAMIC RISK PROFILE**

Suggests a higher ratio of equity over bonds.

## FINDING THE FUND THAT'S RIGHT FOR YOU

Our advisory service doesn't only suggest a suitable risk profile. On each occasion you wish to make an investment, we will check that your risk profile is still right for you. This ensures our on-going commitment to matching you with the most suitable Investment Fund for you. For example, are you prepared to take more risk in exchange for the possibility of a higher return? A portfolio spread across different asset classes might be the solution for you.

**This section of the brochure provides you with some more indepth information about Investment Funds.**

## THE INS AND OUTS OF INVESTMENT FUNDS

Investment Funds work on the principle that 'many small investors equal one big investor'. The fund collects savings from individual investors and invests them collectively in accordance with a specific investment policy.

Even if you only have a small amount to invest, you can spread your investment across different asset classes (equities, bonds, real estate or cash products), economic sectors and countries. In this way, Investment Funds offer you access to markets you would not ordinarily have access to.

And because funds generally invest in a basket (of equities or bonds, for instance), the risk to your capital is lower than it is for an individual financial instrument, especially in the longer term. Investment Funds are managed by Investment Professionals within KBC Asset Management.

## FEATURES OF INVESTMENT FUNDS

- ➔ There is no fixed maturity date on your investment, so you can access your money at any time.
- ➔ There is no capital protection so you could lose all of your investment.
- ➔ Allows all investors access to exclusive financial markets.
- ➔ Investment Funds are a very cost effective product for investors who wish to spread their investment over a number of different types of assets so they can be diversified.
- ➔ Any income generated by the fund (through dividend or coupon payments) will be reinvested in the fund by the fund manager.
- ➔ Investment Funds in KBC are for those even with a smaller amount to invest.
- ➔ You can invest and redeem your investment at any time, therefore your investment fund provides you with access to your money.
- ➔ You can also partially redeem your investment at any time, therefore leaving some of your money invested.
- ➔ Investing in funds lies outside of the Deposit Guarantee Scheme.
- ➔ Your investment is covered by the Investment Compensation Scheme.

Each time you make an investment, you will receive a copy of the Key Investor Information Document (KIID) and Investor Fund Fact Sheet for that product. Investment Fund Prospectus' are available on our website. Visit [kbc.ie](http://kbc.ie).



# MANAGING RISK WITHIN INVESTMENT FUNDS

An Investment Fund may make limited use of derivatives: either to help achieve the investment objectives (for instance, to increase or decrease the exposure to one or more market segments in line with the investment strategy), or to neutralise the portfolio's sensitivity to market factors (by hedging an exchange rate risk, for example). However, derivatives are not used for speculative purposes within KBC Asset Management Investment Funds.

## QUALITY, SECURITY AND TRANSPARENCY

UCITS is an EU classification which applies to high quality Investment Funds that adhere to very strict set of standards. Therefore UCITS funds provide a guarantee of quality\*.

- UCITS is a global brand distributed in more than 50 countries.
- They have a reputation for being transparent, tried and tested.
- They focus on risk management and investor protection.
- They have the flexibility to accommodate alternative investment strategies.
- UCITS is continuously evolving and improving its already very high standards – UCITS I, III, IV.

\*UCITS is the Undertakings for Collective Investment in Transferable Securities Directive 2001/107/EC and 2001/108/EC. It is a set of European Union directives that aim to allow collective investment schemes to operate freely throughout the EU, on the basis of a single authorisation from one member state. In practice many EU member nations have imposed additional regulatory requirements that have impeded free operation with the effect of protecting local asset managers.

# TAX OBLIGATIONS FOR INVESTORS

If you buy or sell an interest in a managed fund, you will be obliged to file a tax return by 31 October in the following year, outlining the following details such as:

- Name and address of the fund;
- Date interest in the offshore fund was acquired;
- Date interest in the offshore fund was disposed of;
- Amount of capital invested in acquiring the offshore fund; and
- Name and address of intermediary through whom the material interest was acquired.
- Profit arising on sale

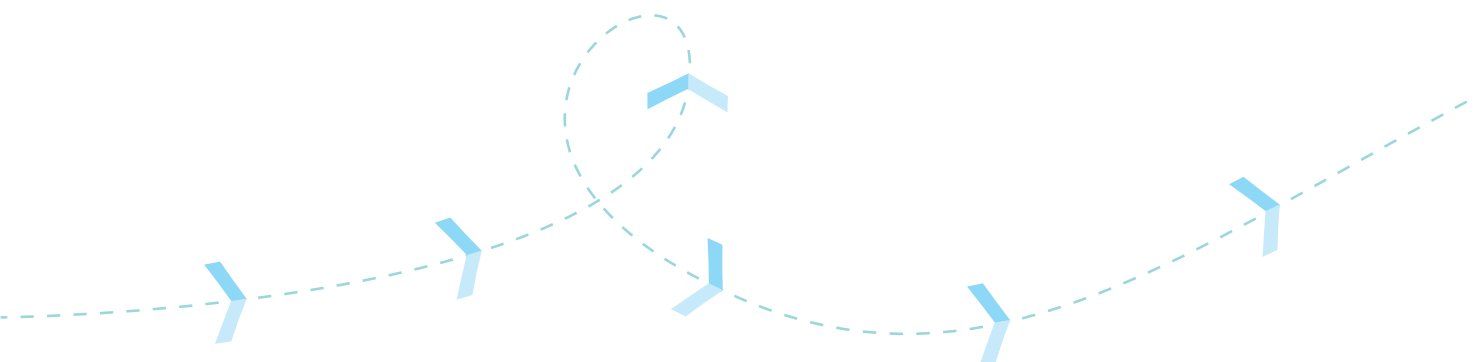
Any gain made on the sale of an interest in a fund or part of the interest, will be subject to tax currently at a rate of 41%. (PRSI may also apply in certain circumstances).

A deemed disposal of the interest in the offshore fund will arise on the 8th anniversary of the holding of the interest in the offshore fund. Gains arising on the deemed disposal will be subject to tax, currently at a rate of 41% (PRSI may also apply in certain circumstances).

Gains generated within the fund which are not distributed to the investors are taxed on a gross roll up basis. This means that the fund can grow tax free until they are sold by the investors or for 8 years, whichever is shorter.

KBC Bank Ireland PLC is not responsible for making deductions on any individual's behalf. Customers are responsible for reporting the purchase and sale of funds and must do two things:

1. Customers (including PAYE taxpayers) who buy an investment in an offshore fund automatically fall into the 'self-assessment' tax category. As a result, they need to make a tax return for the tax year in question reporting the fund purchase. It is important that customers report the acquisition of the investment in their tax return for the year in which the fund is purchased as failure to do so may result in a higher tax rate applying to subsequent sales of the funds.
2. Customers must declare and pay any tax liability by submitting their tax returns and payment to the Revenue on or before the 31st of October the year after the year they sold (or deemed to have sold) and made a profit on their investments.







# TRUST AND EXPERIENCE WHERE IT COUNTS

Our role in finding the best solution for you doesn't stop with your initial investment, it is an on-going process. KBC Investment Funds are part of an ongoing relationship, we keep your investments under review.

Your investment fund will be managed for KBC Bank Ireland by KBC Asset Management who have 65 years of experience in the fund management field. KBC AM is part of the same group as KBC Bank Ireland. Owing to international activities, KBC Asset Management manage over 1,500 funds and have over €85bn in assets under management.

KBC AM Investment Strategy is a continuous decision-making process and reflects our preferred asset allocation for each type of investor. Asset Allocation refers to the composition of your Investment i.e. ratio of bonds, shares and cash for your individual portfolio. Over the long term, this composition of asset classes is the main driver of performance in your portfolio.

The strategy also considers which regions, sectors or "themes" offer attractive investment opportunities at any point in time. Examples of "themes" we see as attractive for the mid-long term, and "accents" which may do well in the short term, can be found at [kbc.ie](http://kbc.ie).

## WHAT TO DO NEXT

You can arrange to meet one of our investment specialists in a KBC Hub at a time that suits you. If you can't make it into one of our KBC Hubs our Mobile Advisor can meet you at a time and place that suits you.

To make an appointment or to find out more:

**Pop into** your nearest Hub - a list of all our locations can be found on [kbc.ie](http://kbc.ie)

**Call** 1800 51 52 53

**Visit** [kbc.ie](http://kbc.ie)



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