

# The Bloxham Split Deposit Inflation Bond II

*The Bloxham Split Deposit Inflation Bond II, designed to generate a dynamic return, match inflation and maintain purchasing power*

**25%** placed in a **12 month  
High Yield Deposit Account**

paying a fixed interest rate of

**7% gross  
(7% AER)**



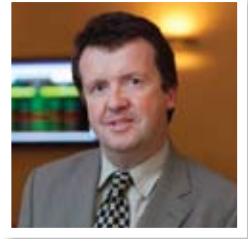
**75%** invested in a **5 year  
inflation tracking bond**

paying a minimum return of **15%**

Closing Date 2nd March 2012

BLOXHAM





## Global Inflation Trends

Central banks have been injecting liquidity into financial markets at the most aggressive pace in decades, governments are hiking sales taxes, food and energy costs are surging, and yet many investors seem strangely casual about current inflation risks. Clearly there's a powerful argument for saying that recession has left too much spare capacity in the labour markets, housing, factories and office space of the big western economies to allow price bottlenecks to drive consumer price inflation higher. But for all the debt-hobbled depression in many parts of the United States, Europe and Japan, world growth at large is still close to 4% and global monetary policy is switched to ultra loose. Many of the biggest developing economies, such as China, India, Russia, Brazil, Turkey and Indonesia, continue to grow briskly and inflation is running at an annual rate of 5 to 10%. Higher inflation in the emerging world has implications for the developed world. In essence, aggregate global demand affects global prices regardless of slack in the west. And the sharp upward movement in the price of gold, which is widely seen as a hedge against inflation, is a clear sign of market concern over rising prices.

The threat of a long period of high inflation in Europe is worrying policy makers and business leaders because in contrast to the past decade, much of the inflationary pressure may come from Germany. In the 12 years since the single currency was launched in 1999, Eurozone inflation has frequently been above the European Central Bank's target of just below 2%, but it has only held at or above 2.5% for two periods exceeding more than a month. Sluggish growth and prices in Germany, where consumer price numbers account for just over a quarter of the weighting for Eurozone inflation data, have in the past generally offset rapid inflation in smaller countries such as Ireland and Spain. Now, however, high wage demands in Europe's largest economy, loose monetary policy and rising food and fuel prices may create the opposite situation: an extended period of inflationary pressure with much of it stemming from Germany.

The European Central Bank is so concerned that it raised interest rates by a quarter percentage point in April, its first increase since July 2008, and then followed it up with another quarter point hike in July despite the ongoing Eurozone debt crisis. The deteriorating debt situation has seen the bank reverse these moves in the final two months of 2011, even though inflation has remained elevated. The latest figures from Germany show that annual inflation as measured by the harmonised index of consumer prices (HICP) stood at 2.8% in November, in effect three quarters of a percentage point higher than the ECB target. Meanwhile, the fast-growing emerging world craves German goods and the exports from Europe's largest economy have been growing at a record pace in recent months. Notwithstanding, signs of a near term slowdown in the world economy, the risk to prices is increasing and BGA, Germany's foreign trade association

"WORLD GROWTH AT LARGE IS STILL CLOSE TO 4% AND GLOBAL MONETARY POLICY IS SWITCHED TO ULTRA LOOSE. MANY OF THE BIGGEST DEVELOPING ECONOMIES, SUCH AS CHINA, INDIA, RUSSIA, BRAZIL, TURKEY AND INDONESIA, CONTINUE TO GROW BRISKLY AND INFLATION IS RUNNING AT AN ANNUAL RATE OF 5 TO 10%."

believes the country's inflation rate could accelerate to between 4 and 6% by 2013/2014, which in turn would have serious negative implications for the Eurozone inflation rate as a whole.

Inflation erodes the disposable income of households so it is therefore important that investors cover that inflation risk if they can. Since the inception of the euro in 1999 the average annual Eurozone inflation rate over the period has been 2%. But the risks to inflation are very much tilted to the upside going forward given the amount of excess liquidity in the financial system at the moment. Furthermore, the possibility of the ECB printing money as a solution to the European debt crisis, and the likely continued upward pressure from rising global commodity prices, should result in higher levels of inflation.

The Bloxham Split Deposit Inflation Bond II is designed to return the average Eurozone HICP inflation rate (excluding tobacco) over the next five years but with the added benefit that, if inflation remains low, your minimum return will be 15%.

**Alan McQuaid**  
Chief Economist, Bloxham

*Please carefully consider the Bloxham Split Deposit Inflation Bond II objectives, risks and charges before investing. The Key Features and Terms and Conditions contain important information, including certain warnings, about the Bloxham Split Deposit Inflation Bond II. Please read this document carefully before you decide to invest.*

“ THE BLOXHAM SPLIT DEPOSIT INFLATION BOND II IS DESIGNED FOR INVESTORS WHO ARE WORRIED ABOUT INFLATION ERODING THE VALUE OF THEIR SAVINGS. IT IS SUITABLE FOR THOSE WHO TYPICALLY INVEST ALL OR PART OF THEIR PORTFOLIO IN DEPOSIT ACCOUNTS AND LOW RISK FUNDS.”



## The Bloxham Split Deposit Inflation Bond II

A fundamental goal of investment is to protect and increase the real value of money. The real value of money can be measured by the ability to purchase goods and services. If the cost of goods and services rise and the value of an investment or deposit account doesn't rise at the same rate, the real value of that investment or deposit has fallen.

As the single greatest threat to the real value of assets, inflation must be considered when making investment decisions. Inflation of as little as 2% per annum for five years would see the real value of cash decrease by over 10%.

To see the real impact inflation has on purchasing power you only have to look at the price of The Irish Times. In 1991 a copy of the newspaper was €0.89 (£0.71), today it is €1.90. In other words it takes €1.90 to buy what €0.89 did in 1991. This is an example of the corrosive effect of inflation.

## What is the Bloxham Split Deposit Inflation Bond II?

The Bloxham Split Deposit Inflation Bond II is an investment product which has a deposit component and an investment component.

25% of the capital you invest in the Bloxham Split Deposit Inflation Bond II (the "Capital Amount") is placed in a 12 month high yielding deposit account with Bank of Ireland paying a 7% gross return.

The remaining 75% is placed in a five year inflation tracking bond which provides the greater of 15% or a return equal to the aggregate rate of inflation over the five year term (the "Term") with no upper limit.

The Bloxham Split Deposit Inflation Bond II is designed to secure 100% of your Capital Amount, with 25% of the Capital Amount paid after 12 months and the remaining 75% of the Capital Amount paid at the end of the Term.

## Who should invest in the Bloxham Split Deposit Inflation Bond II?

The Bloxham Split Deposit Inflation Bond II is designed for investors who are worried about inflation eroding the value of their savings. It is suitable for those who typically invest all or part of their portfolio in deposit accounts and low risk funds, are concerned that the performance of these traditionally low risk investments will not keep pace with inflation and are looking for a dedicated inflation proof investment.

## What is the investment objective of the Bloxham Split Deposit Inflation Bond II?

The Bloxham Split Deposit Inflation Bond II seeks to protect and increase the purchasing power of an investor's funds while providing complete capital security. If inflation continues at 2.8% p.a. then investors will make a return of roughly 15% over the five year term, if inflation rises to say 4% p.a. then that investment return increases to almost 22%. There is no upper limit on the returns to the investor.

## Is the Bloxham Split Deposit Inflation Bond II suitable for pension investment?

If you have your own pension scheme or are now retired with an Approved Retirement Fund and you are interested in a capital secure investment that will grow at the rate of inflation, the Bloxham Split Deposit Inflation Bond II is ideal.

A recent survey conducted by one of the world's largest consultancy firms has found that with the prospect of inflation looming large, pension funds are looking to increase their allocation to non traditional asset classes. The survey canvassed more than 1,100 European pension funds and found that 80% of respondents were concerned with the threat of increasing inflation and, as a result, many are taking action to protect their assets by increasing their allocation to inflation linked assets.

Remember, not only do contributions into pension schemes currently attract tax relief, investments in the fund also currently grow tax-free (apart from the pension levy), and at retirement, you are entitled to take a sizeable portion of your fund tax free – even more reasons to consider the Bloxham Split Deposit Inflation Bond II as an investment.

**WARNING: The Bloxham Split Deposit Inflation Bond II has a five year term and is only suitable for investors who are willing to invest 25% of their initial capital investment for the first 12 months and 75% of their initial capital investment for the full five year term.**

## The Bloxham Split Deposit Inflation Bond II

The Bloxham Split Deposit Inflation Bond II offers investors a return of 7% (gross of tax) on 25% of their Capital Amount after one year. The remaining 75% of the Capital Amount pays a minimum of 15% (gross) interest after five years with the added advantage that, should inflation rise from its current level, the Bloxham Split Deposit Inflation Bond II will pay the aggregate rate of inflation over the Term. However, if inflation actually falls i.e. if we experience a period of deflation, investors will not be penalised and will still receive 15% (gross) return.

## How is inflation calculated?

Inflation in the euro area is measured by reference to the EUR – Excluding Tobacco-Non-revised Consumer Price Index (Bloomberg: CPTFEMU) (the “Index”). The Index is compiled by Eurostat and the EU National Statistical Institutes in accordance with harmonized statistical methods. The Index reflects the weighted impact of each member country’s inflation and is based on everything from the price of food and drink to how much heating oil costs.

Sample Returns on €10,000 invested in the inflation tracking portion of the Bloxham Split Deposit Inflation Bond II based on four different inflation rates.

Description	Example 1 Negative Inflation	Example 2 Positive Inflation	Example 3 Positive Inflation	Example 4 Positive Inflation
Yearly Inflation	<b>-2.00%</b>	<b>2.00%</b>	<b>4.00%</b>	<b>6.00%</b>
Total Inflation	-10%	10%	21.6%	33.8%
Bond Return	15%(min)	15%(min)	21.6%	33.8%
Gross Maturity Value	<b>€11,500</b>	<b>€11,500</b>	<b>€12,166</b>	<b>€13,382</b>
Gross CAR	2.8%	2.8%	4%	6%
Dirt 30%*	€450	€450	€650	€1,015
Net Maturity Value	<b>€11,050</b>	<b>€11,050</b>	<b>€11,516</b>	<b>€12,367</b>
Net CAR	2.02%	2.02%	2.86%	4.34%

CAR = Compound Annual Return

\* Pensions and other qualifying Investments are not subject to DIRT.

**WARNING: The above figures are for illustration purposes only. Past performance is not a reliable guide to the likely future performance of your investment.**

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



## How is the return on the inflation linked element of the Bloxham Split Deposit Inflation Bond II calculated?

This is calculated by taking the Index value as published by Eurostat in December 2011 and the Index value in December 2016 and applying the percentage change to 75% of the Capital Amount. If the percentage change is zero or negative 15% interest will be payable and investors will receive 115% of this portion of their Capital Amount back and no inflation related return.

$$75\% \times \text{Capital Amount} \times \text{Max} \left[ \left( \frac{\text{CTPFEMU Index Final}}{\text{CTPFEMU Index Initial}} - 1 \right), 15\% \right] \text{ Paid at maturity}$$

**Index Initial:** The level of the Index in December 2011 as published by Eurostat.

**Index Final:** The level of the Index in December 2016 as published by Eurostat.

## How can I track the performance of my investment?

Bloxham will be updating the Index on the dedicated Split Deposit Inflation Bond II web page and indicating the extent to which it has risen since the investment date. This will enable investors to see how their investment is performing. Check out [www.bloxham.ie](http://www.bloxham.ie) for further information.

The European Central Bank publishes up to date information on the Index on their website;

<http://www.ecb.int/stats/prices/hicp/html/index.en.html>

## How secure is my investment?

Capital security is provided by Bank of Ireland. If Bank of Ireland defaults or becomes insolvent, Bloxham is not liable for the repayment of the principal and/or the payment of the interest.

## No Currency Risk

The Bloxham Split Deposit Inflation Bond II is not exposed to foreign currency hence there will be no currency risk.

## Charges

Bloxham is paid a fee of 4.0% of the initial investment amount for structuring, design, distribution, and ongoing administration of the Bloxham Split Deposit Inflation Bond II. This fee does not affect the 100% capital security or the interest/return payable at the end of the 12 month and five year periods respectively.



## Suitability

The Bloxham Split Deposit Inflation Bond II is not suitable for investors who require regular income or access to their capital within the five year term or who need to clear debts. The return on the Bloxham Split Deposit Inflation Bond II is a function of inflation over the term of the investment. There is no upper limit on returns. No withdrawals may be made before the end of the five year term (9th March 2017) other than in accordance with the Terms and Conditions.

## Taxation

Only the growth of your investment is subject to DIRT (currently at 30%) plus 3%. If you are over 65 with an income of less than €18,000 p.a. (€36,000 p.a. if married), no DIRT is currently deducted. Pension funds and charities are also exempt from DIRT.

**WARNING: This document is based on our understanding of current Revenue law and practice, which is subject to change without notice.**

## Closing Date

The latest date for the receipt of applications is 2nd March 2012.

## Client Asset Account

Investor funds will be lodged to an account with the Bank and you will receive a confirmation from the Bank in this respect. Please note that such account is categorised as a Bloxham client asset account, which means that the account to which the money is lodged will contain funds from other investors in the Bloxham Split Deposit Inflation Bond II and Bloxham may issue instructions in relation to the account. The account is a fixed term account and cheques are issued in the investors' names by the Bank at maturity. Bloxham is required to comply with the Central Bank of Ireland's rules regarding client money and assets. By signing the application form investors are consenting to the holding of their funds in this manner.

**WARNING: The Bloxham Split Deposit Inflation Bond II is produced by Bloxham. The principal amount invested by you in the Bloxham Split Deposit Inflation Bond II is protected by lodging all investments received by Bloxham in respect of the Bloxham Split Deposit Inflation Bond II to a client asset deposit account at the Bank. Principal protection applies at maturity only. Investors should note that they bear the credit risk of the Bank. This means that, even where the investment performs well, investors could lose all or some of their invested principal in the event that the Bank defaults or becomes insolvent.**

## Key Features

### How does the Bloxham Split Deposit Inflation Bond II work?

The product producer, issuer and distributor of the Bloxham Split Deposit Inflation Bond II is Bloxham, International Financial Services Centre, 2/3 Exchange House, Dublin 1, Ireland. Bloxham is regulated by the Central Bank of Ireland.

The Bloxham Split Deposit Inflation Bond II provides capital security and protection against the corrosive effects of inflation. Client funds will be lodged with Bank of Ireland which will provide the capital security.

The Bloxham Split Deposit Inflation Bond II is not exposed to foreign currency hence there will be no currency risk or hedging cost.

Your money is not invested in the shares of any companies and, therefore, you do not benefit from any dividends paid by the companies.

Partial or full encashments are not permitted during the five year term from the Bloxham Split Deposit Inflation Bond II. Accordingly, you should only consider the Bloxham Split Deposit Inflation Bond II if you can commit 75% of your invested amount for the full five year term. It will not be suitable if you need early access to 75% of your invested amount prior to the maturity of the Bloxham Split Deposit Inflation Bond II on 9th March 2017, or require regular income.

### Where does my investment go?

Each €10,000 of your investment amount will be used as follows: €2,500 or 25% will be placed in a 12 month deposit account and assures investors a payment of €2,675 after 12 months. This is equivalent to a return 7% (7% AER) on this part of your investment.

€7,500 or 75% will be allocated as follows:

- 100% Capital Protection is provided by placing 81.28% or €6,096 on deposit. This will grow to €7,500 at the end of the 5 year term. This is equivalent to a promised return on this part of your investment of 4.1% CAR.
- 12.19% or €914.25 will be used to purchase the minimum return payable at the end of the five year term.
- 2.53% or €189.75 will be used to purchase the potential return which may be payable at the end of the five year term.

Bloxham will manufacture, distribute and administer the Split Deposit Inflation Bond II. For this Bloxham will receive a fee of 4% or €400 from which 3% commission will be paid to intermediaries.

### Do I have access to my investment?

No withdrawals may be made before the end of the five year term on 9th March 2017 (the "Term").

### What happens if I die?

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

- i) 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
- ii) the Bond may be redeemed, subject to normal probate regulations, at its then realisable value as determined by Bloxham and Bank of Ireland, which may be more or less than the capital secure amount.

Where the Bond is held in joint names, it will, upon the death of one of the Investors and upon production of such evidence of death as Bloxham or Bank of Ireland 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 realizable value as determined by Bloxham and the Bank which may be more or less than the capital secure amount. The proceeds from any such redemption will be paid to the trustees of the plan, or the investing Life Company as appropriate.

### What about tax?

All returns earned in respect of the Bloxham Split Deposit Inflation Bond II constitute interest. This interest will be paid after the deduction of Deposit Interest Retention Tax (DIRT) where applicable.

- Under current legislation any return on the Bloxham Split Deposit Inflation Bond II is subject to DIRT at the standard rate plus 3% (currently 30%) where applicable at the time of maturity.

Investments by tax exempt entities such as pensions and charities, are not subject to DIRT.

- Investors aged 65 or over whose income is €18,000 p.a. or less (€36,000 p.a. for married couples) may currently be exempt from DIRT.

It is the responsibility of each investor to ensure that any revenue reporting requirement is satisfied and that there are serious implications for non disclosure where required. Please consult your tax advisor for advice.

# Terms & Conditions

## 1. Definitions

- a. 'Bank' means The Governor and Company of the Bank of Ireland and its successors, assigns and transferees.
- b. 'Bond' means the Bloxham Split Deposit Inflation Bond II provided by Bloxham in accordance with these terms and conditions.
- c. 'Bloxham' means Bloxham and its successors, assigns and transferees.
- d. 'Capital Amount' means the amount invested by you in the Bond.
- e. 'Closing Date' means 2nd March 2012 and is the latest date on which investments will be accepted.
- f. 'Final Date' means 9th March 2017.
- g. 'Investor(s)' means the customer(s) who is/are investing funds in the Bond.
- h. 'Index' means the EUR – Excluding Tobacco-Non-revised Consumer Price Index (Bloomberg: CPTFEMU).
- i. 'Index Initial' means value of the Index in December 2011 as published by Eurostat.
- j. 'Index Final' means the value of the Index in December 2016 as published by Eurostat.
- k. 'Initial Date' means 9th March 2012.
- l. 'Interest' means the gross interest calculated in accordance with clause 8.
- m. 'Term' means the duration of the Bond commencing on the Initial Date and maturing on the Final Date.

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

Further to the money laundering provisions of the Criminal Justice (Money Laundering & Terrorist Financing) Act 2010 new clients must provide with their application (1) copy passport or full drivers license certified by one of the following: Garda Síochána/Accountant/Solicitor/Notary Public/Embassy-Consular Staff Member and (2) original address verification (e.g. utility bill) dated within the last six months. Existing clients must provide original address verification dated within the last six months. Other documentation may be required. Additional documentation will be required for Corporate, Pension and Charitable organisation applicants.

## 3. Your Investment

- a. Bloxham 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 Bloxham. You will receive a confirmation from the Bank of the amount received.
- b. 25% of the Capital Amount will be placed on deposit and will be repaid to the Investor after 12 months together with an interest payment of 7% gross (7% AER).
- c. 75% of the Capital Amount will be placed in a five year inflation tracking bond. At the end of the Term, the Bank will pay 75% of the original Capital Amount together with any Interest earned net of DIRT where applicable. This portion of the Bond provides for a return of the greater of 15% or the aggregate rate of inflation over the Term with no upper limit.
- d. Reference to the Index does not indicate any endorsement of the Bond by the relevant Index provider. The product is not in any way sponsored, sold or promoted by any stock market, index exchange or, index sponsor, and they make no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of such index/or the figure at which the Index stands at any particular time on any particular day or otherwise. They shall not be liable (whether in negligence or otherwise) to you for any error in the Index and shall not be under any obligation to advise any person of any error therein.
- e. No Interest will accrue for the period between the receipt of the Capital Amount and the Initial Date.

## 4. Availability

- a. Your application must be received by Bloxham by the Closing Date.
- b. The minimum investment is €10,000.
- c. The Bond is available to individuals who are aged 18 or over investing on their own behalf, credit unions, charitable bodies, companies and pension funds. Individuals under 18 may be facilitated by way of a flexible trust.

## 5. Cooling Off Period

You have the right to cancel this contract prior to the Closing Date. If you wish to cancel, written notice must be received by Bloxham, International Financial Services Centre, 2/3 Exchange Place, Dublin 1, Ireland within two weeks of your application (and we will then return to you the funds you have paid and no fees will apply) but no later than the Closing Date (as withdrawals from the Bond are not possible, due to their structure, before the Final Date).

## 6. Withdrawals

- a. No withdrawals may be made from the Bond before the end of the Term, other than the 25% of the Capital Amount that is payable together with Interest at the end of the 12 months from the Initial Date.
- b. In the event of the death of a sole Investor prior to the expiry of the Term:
  - i. 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
  - ii. the Bond may be redeemed, subject to normal probate regulations, at its realisable value as determined by Bloxham and the Bank, which may be more or less than the capital secure amount.
- c. 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 Bloxham or the Bank require, be transferred into the name(s) of the surviving Investor(s).

- d. 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 Bloxham and the Bank (which may be more or less than the capital secure amount). The proceeds from any such redemption will be paid to the trustees of the plan, or the investing Life Company as appropriate.

## 7. Calculation of Interest

### *Interest on the 12 month deposit amount*

25% of the Capital Amount will be placed in a 12 month deposit account. Interest on this portion of the Bond is 7% gross. At the end of 12 months, 25% of the Capital Amount, together with Interest of 7% gross (7% AER), will be paid out to the Investor.

### *Interest on the five year inflation tracking bond*

75% of the Capital Amount will be invested for the full duration of the Term and will track inflation. The Interest on this portion of the Bond is calculated by taking the Index value as published by Eurostat for December 2011 and the Index value for December 2016 and applying the percentage change to 75% of the Capital Amount. If the percentage change is zero or negative no interest will be payable and investors will receive their remaining capital back together with an Interest payment of 15% and no inflation related returns. If the percentage change between the Index Initial and Index Final is greater than 15%, this percentage change will be the rate of return on this portion of the Bond with no upper limit.

$$75\% \times \text{Capital Amount} \times \text{Max} \left[ \left( \frac{\text{CTPFEMU Index Final}}{\text{CTPFEMU Index Initial}} - 1 \right), 15\% \right] \text{ Paid at maturity}$$

Index Initial: The level of the index value in August 2011 as published by Eurostat.

Index Final: The level of the index value in August 2016 as published by Eurostat.

## 8. Payment of Interest

Interest will be paid after deduction of Deposit Interest Retention Tax ('DIRT') where applicable. DIRT to be deducted will be calculated in accordance with the appropriate tax legislation and at the rate prevailing on maturity, currently 33%.

## 9. Market Disruption

- a. If at any time during the Term any of the events listed in subparagraphs (i) to (iii) occurs (each such event a "Market Disruption Event") in the form of:
- (i) a disruption or suspension of, or limitation on, the operations of any of the parties or entities connected with the provision of services affecting the Bond, for any reason whatsoever;
  - (ii) any material modification of the Index for any reason whatsoever; or
  - (iii) the calculation and/or publication of the Index is taken over by another person, or is replaced by a successor index, or an error in the level of the Index is discovered for any reason whatsoever or the Index ceases to exist;
- b. then Bloxham (in consultation with the Bank) may adjust the values used in the calculation of the Interest as it deems appropriate, having regard to the market disruption in question. The Interest (if any) may be lower as a result of the adjustment. Further, following a Market Disruption Event, Bloxham (in consultation with the Bank) may seek to substitute the Index with a similar investment.

## 10. Maturity

Bloxham will contact you before the Bond matures to advise of repayment and reinvestment opportunities available at that time. At maturity, Bloxham, will, following receipt of your instructions, instruct the Bank to issue and send individual customer cheques to Bloxham amounting to 75% of the Capital Amount together with Interest earned OR reinvest the proceeds as instructed. If for any reason Interest on this portion of the Bond cannot be determined by the Final Date, the Bank will pay 75% of the Capital Amount and the relevant Interest, two days after the Interest can be determined.

## 11. Confidentiality

Bloxham and the Bank observe a strict duty of confidentiality about your financial affairs. Save at your request or with your consent, neither Bloxham nor the Bank will disclose any details relating to your investment to anyone else other than in the following circumstances: to comply with a Court Order, to comply with a direction or request from a statutory or regulatory body entitled to such details, in accordance with any applicable legislation.

## 12. Data Protection

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

# Terms & Conditions

## 13. Cancellation

If total funds received from Investors at the Closing Date are deemed to be insufficient, Bloxham reserves the right not to proceed with the Bond issue and to repay Investors in full.

## 14. Variation

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

## 15. Bond Operation

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

## 16. Governing Law and Jurisdiction

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

## 17. Bloxham Split Deposit Inflation Bond II Account

Investor funds will be lodged to an account with the Bank and you will receive a confirmation from the Bank in this respect. Please note that such account is categorised as a Bloxham client asset account, which means that the account to which the money is lodged will contain funds from other Bond investors and Bloxham may issue instructions in relation to the account. The account is a fixed term account and cheques are issued in the investors' names by the Bank at maturity. Bloxham is required to comply with the Central Bank of Ireland's rules regarding client money and assets. By signing the application form investors are consenting to the holding of their funds in this manner.

## 18. Complaints Procedure

Should you be dissatisfied at anytime with the service that you receive from Bloxham, do not hesitate to make this known to us. If you are unable to resolve a complaint with the person you are dealing with, you should refer the matter to Bloxham's Compliance Officer for further investigation. If you are not satisfied at any time with our review of your complaint you are entitled to refer the matter to the Financial Services Ombudsman's Bureau, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2.

## 19. Changes to Personal Information

Changes in your personal details should be notified to us in writing. All changes advised in writing should be delivered to the address of our place of business as stated above.





# The Bloxham Split Deposit Inflation Bond II

## Application Form

Please complete in block capitals and return along with your cheque/draft made payable to **Bank of Ireland Global Markets**. Prior to any transaction being entered into, a completed Application Form, together with the relevant documentation as specified in 'Terms and Conditions' must be received.

### I/We hereby apply for the Bloxham Split Deposit Inflation Bond II in the name(s) of:

Primary name: \_\_\_\_\_ Date of Birth: \_\_\_\_|\_\_\_\_|\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Tel (Mobile): \_\_\_\_\_ (Home): \_\_\_\_\_

Email: \_\_\_\_\_

Skype: \_\_\_\_\_ Twitter: \_\_\_\_\_ Facebook: \_\_\_\_\_

PPS/Tax Reference Number (evidence required): \_\_\_\_\_

Secondary Name: \_\_\_\_\_ Date of Birth: \_\_\_\_|\_\_\_\_|\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Tel (Mobile): \_\_\_\_\_ (Home): \_\_\_\_\_

Email: \_\_\_\_\_

Skype: \_\_\_\_\_ Twitter: \_\_\_\_\_ Facebook: \_\_\_\_\_

PPS/Tax Reference Number (evidence required): \_\_\_\_\_

\* In accordance with Irish Revenue Commissioners requirements, we are obliged to ask every person opening an account to provide their current PPS/TRN number and to supply documentation verifying same.

I / We wish to invest € \_\_\_\_\_ in the Bloxham Split Deposit Inflation Bond II  
(€10,000 Minimum).

If your investment is being made together with another person you acknowledge that the investment will be a joint investment between the persons named herein.

Please tick the appropriate box:

Personal Investment       Pension Fund       Corporate Account

Other \_\_\_\_\_ *Please specify:*

I / We qualify for the following taxation classification: Please tick appropriate box:  DIRT  Other\*

\*Relevant documentation will be required for tax-free status in the case of charities, credit unions, pension funds, companies and non-Irish residents.

**Source of Wealth:** (Please tick Appropriate Box)

Savings       Compensation Payment       Policy Claim\Maturity       Sale of Property  
 Sale of Investments       Lottery\Betting Win       Other *Please specify:*

**Source of Funds:** (Please tick Appropriate Box)

Personal Cheque       3rd Party Cheque       Bank Draft       Other *Please specify:*

**Please give details of account drawn from:**

Name and address of bank: \_\_\_\_\_

Account holders name: \_\_\_\_\_

Account holders number: \_\_\_\_\_

I/We have received professional investment advice in relation to the Bloxham Split Deposit Inflation Bond II.  Yes  No

**Execution Only Declaration:**

If you have NOT received professional investment advice please review and sign the following declaration:

I/We acknowledge that I/we have requested information on the Bloxham Split Deposit Inflation Bond II and confirm that I/we do not wish to provide information in respect of my/our financial history and investment objectives to determine the suitability of this investment for my/our purposes but wish to proceed with the investment in the Split Deposit Inflation Bond II on an execution only basis. By doing so I/we acknowledge that I/we are waiving my/our rights as a Consumer in relation to the suitability of this product.

Primary signature: \_\_\_\_\_ Date: \_\_\_\_\_

Secondary signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Declaration:**

I/We declare that (i) the details above are correct, that I/we are over 18 and confirm that I/We understand and accept the Key Features and Terms & Conditions on the Bloxham Split Deposit Inflation Bond II set out in this brochure. I/We understand that the investment will not be deemed to have been made until the application has been accepted and that, if and when accepted, the investment will commence on 9th March 2012.

I/We hereby request and authorise you: (a) to place my/our investment in a client asset account with Bank of Ireland and (b) to give effect to any written request, direction or instruction relating to the Bond on the signature(s) of me/us in accordance with the Terms and Conditions.

By signing this application I am/we are agreeing that Bloxham may use my/our information in the way described in this form and in the associated Terms and Conditions.

**Suitability & Risk Warnings: You need to consider if investing in the Bloxham Split Deposit Inflation Bond II will meet your investment objectives. In addition, you should also consider your risk appetite, the fixed term of this investment, the extent of diversification you have across all your investments, and your own personal and financial circumstances. You should also consider professional advice from a Financial Advisor in order to ensure that you can make an informed choice.**

Primary signature: \_\_\_\_\_ Date: \_\_\_\_\_

Secondary signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Warning: The Bloxham Split Deposit Inflation Bond II has a five year term and is only suitable for investors who are willing to invest 25% of their initial capital investment for the first 12 months and 75% of their initial capital investment for the full five year term.**

Check List: items to accompany application form

- Signed Cheque
- Certified copy of passport or full drivers license
- Original Proof of Address x2
- Proof of PPS/Tax reference number

## Bloxham

Bloxham is a member of both the Irish and London Stock Exchanges and is regulated by the Central Bank of Ireland. The firm provides stockbroking and wealth management services for its private and institutional client base and is one of the most highly respected companies operating within our sector.

Bloxham operates throughout Ireland with its Head Office in the International Financial Services Centre in Dublin and offices in Cork and Limerick.

## Bank of Ireland

Bank of Ireland is a diversified financial services group. It is a market-leader in the Irish banking sector and plays a critical role in the operation of the Irish economy. Bank of Ireland also has a well established operation in the UK and a portfolio of niche skill-based businesses internationally.

As the treasury arm of the Bank of Ireland Group, Bank of Ireland Global Markets provides a comprehensive range of treasury products and services and is a leading player in the Irish structured product market. It has a strong reputation for innovative product solutions with particular emphasis on investment product and investment fund solutions. It wholesales structured products across the spectrum of treasury risk management.

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

***This document is not intended to be, nor should it be regarded as, legal or tax advice and investors should consult their own tax advisors to obtain advice about their particular tax treatment in relation to the Bloxham Split Deposit Inflation Bond II. Tax treatment depends on the individual circumstances of each investor and may be subject to change in the future.***

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