



The Emerging Markets Bond

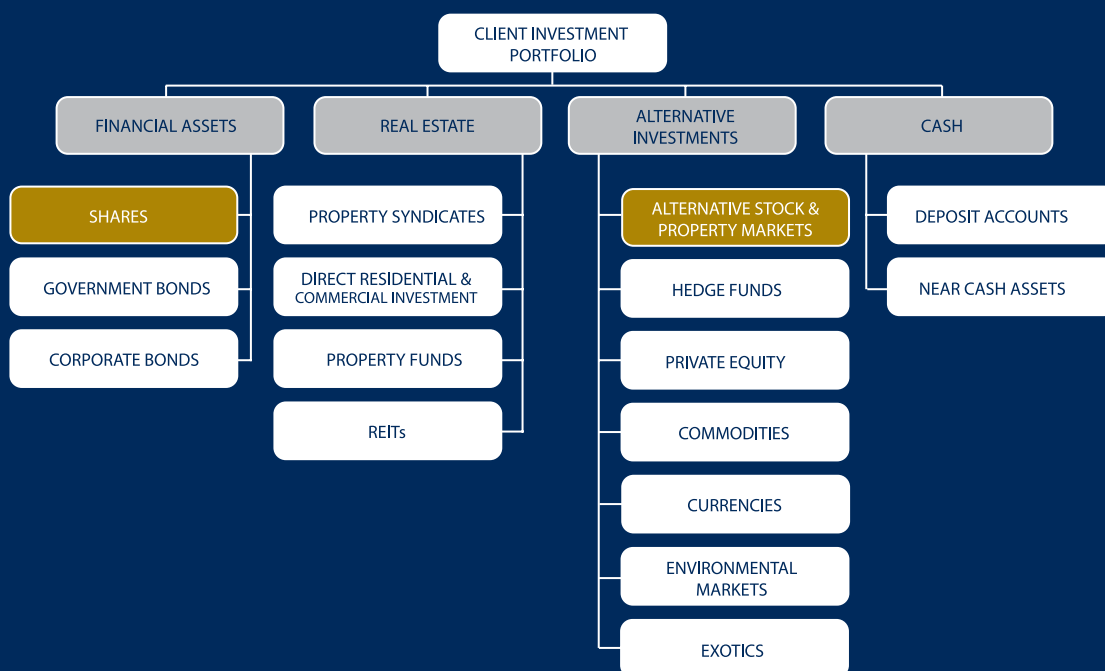
1. Introduction

Duggan Asset Management

Duggan Asset Management (DAM) designs innovative investment strategies that are developed to assist private investors and their advisors in building efficient and balanced investment portfolios.

By utilising international investment best practice, DAM creates well researched and compelling investment strategies and techniques that compliment one another in the construction of diverse investment portfolios. DAM assists private clients and their advisors in building investment portfolios that have the potential to meet each client’s individual investment objectives and equally importantly, to exhibit the appropriate level of investment risk in preserving and growing private client wealth.

DAM structures investment portfolios that are diversified across numerous asset classes, geographic regions and industry sectors. DAM’s primary focus is on Portfolio Asset Allocation and thereafter, the selection of leading international specialist investment managers to perform Stock Selection in their specific area of expertise. DAM’s current House Asset Allocation Investment Policy recommends investment portfolios invested in appropriate proportions as follows:



Asset Allocation

Asset Allocation, or the proportion of an investment portfolio invested in each asset class, is the single largest contributor to investment performance and risk management within investment portfolios.

Investment Philosophies & Core Investment Principles

DAM’s Investment Philosophies and Core Investment Principles are described in the table below:

Investment Philosophies	Investment Principles
Primary Focus on Asset Allocation	Real Balance & Diversification
Target Absolute Returns	Reduce Individual Manager Risk
Wealth Preservation	Reduce Market Correlation
Conservatism	Access Specialist Managers
	Measurability
International Best Practice	Efficient Risk Adjusted Returns

Alternative Investment Strategies & Alternative Asset Classes

Alternative Investment Strategies and Alternative Asset Classes can provide greater diversification and bring greater balance to well structured investment portfolios. Alternative Asset Classes are not necessarily correlated to stock markets and can even be uncorrelated from the economic and financial market cycle. This lack of correlation means that Alternative Investment Strategies and Alternative Asset Classes do not necessarily move up and down in tandem with the momentum of the stock & property markets or even the general economic environment. Therefore, Alternative Investment Strategies and Alternative Asset Classes have the potential to rise when stock & property markets are falling or when economies are weak and vice versa.

Including Alternative Investment Strategies and or Alternative Asset Classes in investment portfolio has the potential to (1) accelerate the investment returns achieved by the portfolio (2) reduce volatility and risk within the portfolio or (3) provide some combination of accelerated returns and lower risk.

Adding Alternative Investment Strategies and/or Alternative Asset Classes to an already well diversified investment portfolio has the potential to deliver even more efficient risk adjusted, long term investment returns.

Duggan Asset Management Limited trading as Duggan Asset Management is regulated by the Financial Regulator.

2. Executive Summary

- The Emerging Markets Bond is an **innovative investment strategy** designed for **private investors** who wish to invest in a low risk strategy that will increase the exposure to the Emerging Markets in their investment portfolio.
- **The Economic & Investment Rationale:** There has been much interest in Emerging Markets over the last number of years as the international investment community began to realise that the shift in dominance of the world economy from the Developed Countries to the Emerging Countries was underway. The contribution to Global Economic Growth from the Developed and the Emerging World has changed significantly in recent years. A divergence of growth of 5% has remained between Emerging Market growth rates (7.26%) and Developed Market growth rates (2.23%) since 2003. The Emerging Market stock markets have also outperformed Developed Market stock markets, a trend we expect to continue in the coming years.
- The **Underlying Investment Strategy** of The Emerging Markets Bond is the **Societe Generale SLS Emerging 11% Index** (Bloomberg: SGIXSE11 Index). This index is designed to capture the outperformance of the Emerging Market stock markets over Developed Market stock markets.
- The Emerging Markets Bond is **95% Capital Protected** by **Ulster Bank Ireland Limited** at maturity. Ulster Bank Ireland Limited is regulated by the Financial Regulator.
- Investors in The Emerging Markets Bond will receive **100% Participation in the growth in the underlying investment strategy** at the end of the term.
- The Emerging Markets Bond has a fixed **3 year, 11 month term**. Although provision has been made for investors to access their monies invested before the end of this 3 year, 11 month term, this investment should only be considered by investors who are content to adopt a 3 year, 11 month term for this investment.
- The closing level of the Bond will be based on the **average monthly value of the underlying indices over the final 6 months of the term** (7 observations).
- The **Minimum Investment** is **€25,000**.
- The **Closing Date** for applications is **4 December 2009**.
- The base currency of The Emerging Markets Bond is Euro. Investors in the Bond are **not subject to the risks associated with currency fluctuations**.
- Investors will be able to **keep updated on the indicative performance of their investment** each calendar quarter in a password protected area of Duggan Asset Management's website (www.dam.ie).
- The Emerging Markets Bond is **exclusive to a small number of Authorised Investment Advisor firms** associated with Duggan Asset Management.
- Ulster Bank Ireland Limited accepts no responsibility for the accuracy or otherwise of the information set out in this brochure nor has it verified the accuracy of such information other than the information directly relating to the Bank.



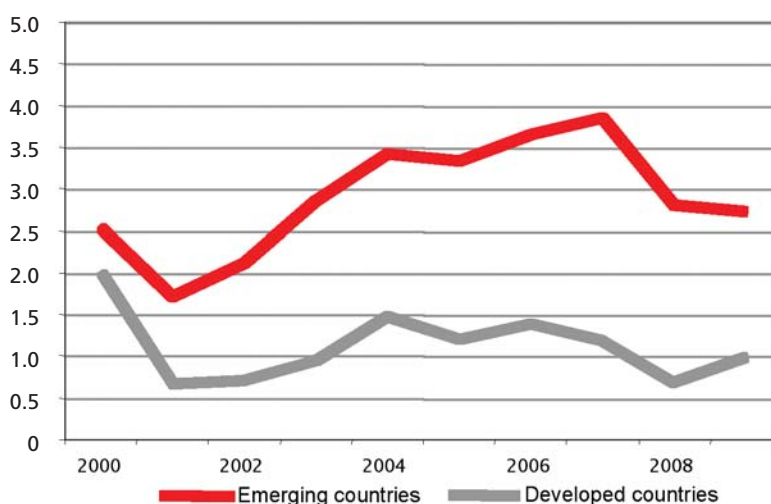
3. Description of the Bond

3.1 The Economic Rationale

There has been much interest in Emerging Markets over the last number of years as the international investment community began to realise that the shift in dominance of the world economy from the Developed Markets to Emerging Markets was under way. The G8 has been expanded to the G20 to give the Emerging World a greater say in global financial affairs. Emerging Markets are making a continually larger contribution to global growth and have been referred to as the world's growth engine. They have a number of positive economic advantages over their developed counterparts which indicate that this trend may continue. Economic variables such as Population Growth, Urbanisation, Demographics, Intra-regional Trade, Employment Growth, Large Reserves, Balance of Payment Surpluses and Productivity Growth appear to be much more favourable in Emerging Market economies.

The contribution to Global Economic Growth from the Developed and the Emerging World has changed significantly in recent years. While there has been a reduction in growth rates, the Emerging World did not enter recession during the Credit Crisis. Indeed, a divergence of 5% has remained between Emerging Market growth rates (7.26%) and Developed Market growth rates (2.23%) since 2003. Many market participants and investment specialists believe that this divergence of economic growth between the Developed and Emerging World is set to continue given the very different capacity potential in the two regions.

Contribution to world GDP growth



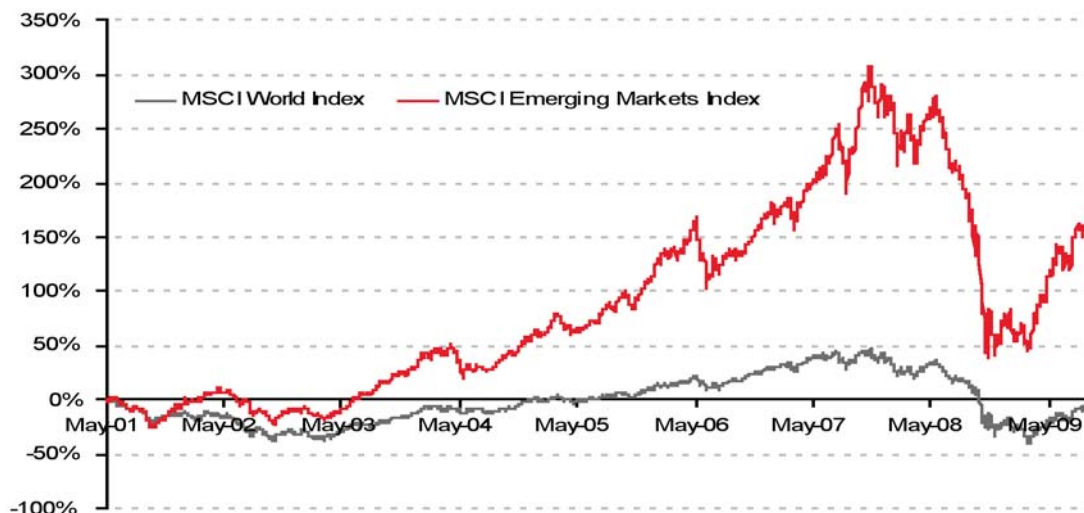
Source: SocGen (September 2009)

ANNUAL GROWTH RATE, %	2003	2004	2005	2006	2007	2008	2009
World	4.0	5.1	4.7	5.3	5.3	3.7	3.9
Industrialised countries	1.8	2.9	2.4	2.8	2.5	1.3	1.9
USA	2.5	3.6	3.1	2.9	2.2	1.2	2.0
Japan	1.5	2.7	1.9	2.2	2.3	0.8	2.0
Zone euro	0.8	1.9	1.6	2.9	2.6	1.3	1.5
UK	2.8	3.3	1.8	2.8	3.1	1.7	1.8
Emerging Countries	6.6	7.7	7.4	7.9	8.2	6.6	6.4
Ex China	5.1	6.6	5.9	6.5	6.5	5.6	5.5
Total Asia	8.1	8.6	8.8	9.1	9.6	7.5	7.5
China	10.0	10.1	10.4	10.7	11.4	9.5	9.0
Asian NICa ex China	4.4	5.8	4.9	5.4	5.5	4.3	4.8
Latam	2.3	6.1	4.4	5.3	5.4	4.7	4.1
Brazil	1.2	5.7	2.9	3.7	5.2	4.7	4.1
Mexico	1.4	4.2	2.8	4.8	3.1	3.2	3.5
Eastern Europe	6.3	7.1	5.4	6.7	6.9	5.9	5.6

Source: SocGen (September 2009)

3.2 The Investment Rationale

Emerging Markets have outperformed Developed Markets since 2001:



Source: SocGen (8 May 2001 to 14 September 2009)

We expect this outperformance of the Emerging Markets over the Developed Markets to continue in the near term. Economic Growth in the Emerging World is expected to continue to outstrip that of the Developed World as the region converges with the Western World. Although more volatile than their Developed Market equivalents, capacity remains for the Emerging Market Stock Markets to continue to outperform for a number of economic and business cycles to come.

3.3 The Societe Generale SLS Emerging 11% Index

The Underlying Investment Strategy is the The Societe Generale SLS Emerging 11% Index. The Index is composed by Societe Generale and calculated by Dow Jones.

The Objectives of the Index

The Index has been designed to capture the outperformance of the Emerging Markets stock markets over the Developed Markets stock markets. The Index is composed of:

1. A long investment in a selection of Emerging Markets stocks (The Emerging Markets Universe) and
2. A short investment in their Developed Markets counterparts (the Dow Jones Global Titans TR Index).

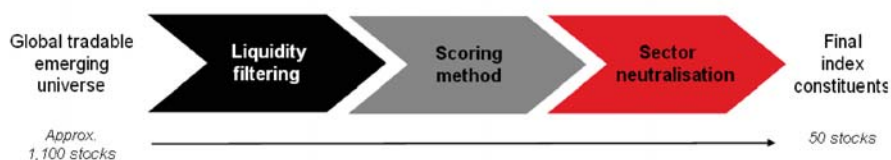
By virtue of being a long-short index, the Index has the potential to register positive performance even if both the long and the short leg are falling. Conversely, the Index will not register positive performance if the long and short leg move in tandem or if the short leg outperforms the long leg.

Index Methodology

The Index is calculated by combining the (1) long investment in the Emerging Markets Universe and (2) a short investment in their Developed Markets counterparts. The Index also benefits from (3) a risk-monitoring mechanism designed to manage risk and optimise performance.

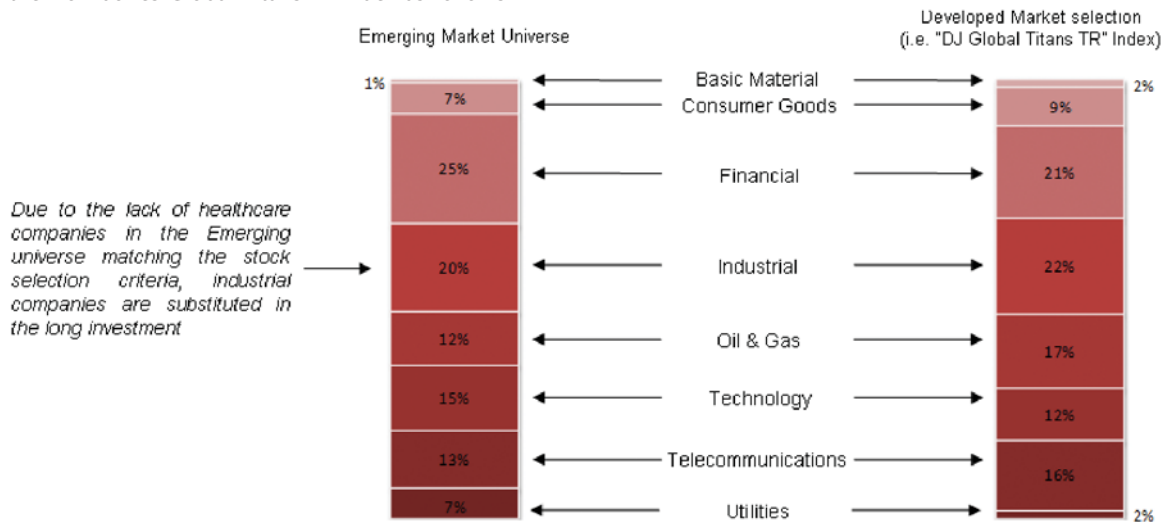
1. A long investment in the Emerging Market Universe

- A synthetic index closely matching the sectoral breakdown of the Dow Jones Global Titans TR Index.
- Composed of 50 leading Emerging Markets stocks, equally weighted within each sector. A sophisticated stock selection algorithm has been designed to identify outperformers on a 12 month time horizon.
- Rebalanced on a yearly basis (each December) to closely match the sector breakdown of the Dow Jones Global Titans TR Index.



2. A short investment in the Developed Markets

In order to isolate the potential outperformance of the Emerging Markets stocks (i.e. reduce the exposure to directional market moves) the stocks of the long and short legs are closely matched in terms of sectors. The sector breakdown is matched as closely as possible to the Dow Jones Global Titans TR Index as follows:



3. Risk Monitoring Mechanism

The Index implements a Volatility Cap risk-monitoring mechanism. This mechanism aims to optimise the performance of the Index and control its realised volatility. The mechanism systematically allocates into the underlying strategy when volatility is low and out of the underlying strategy when volatility is high.

This is done by monitoring the highest 3 month historical volatility of the strategy over rolling 30 day periods. If this volatility level exceeds a predetermined threshold of 11% (the Volatility Cap level), the Index reduces the allocation to the strategy (to a minimum of 0%). Similarly, if the volatility level is below the predetermined threshold of 11% (the Volatility Cap level), the Index increases the allocation to the strategy (to a maximum of 150%).

Based on simulations between 14 September 2001 and 14 September 2009, the maximum allocation to the strategy was 100.81%, the minimum allocation to the strategy was 27.90% and the average exposure to the strategy was 65.30%.

Warning: These Simulated Volatility figures are estimates only. They are not a reliable guide to the future volatility of this investment.

Warning: Past Volatility is not a reliable guide to future volatility.



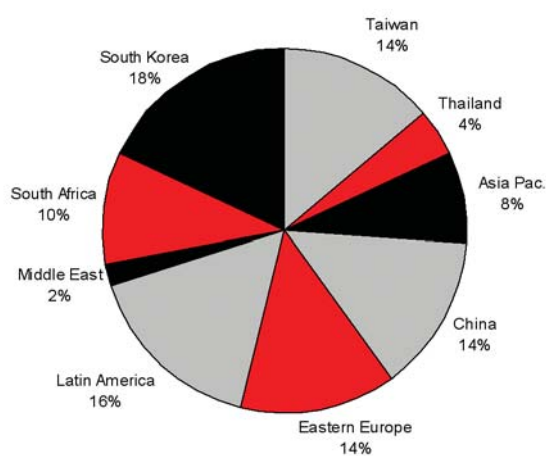
Index Composition

The long leg of the Index is currently invested in the follow 50 stocks that make up the Emerging Markets Universe:

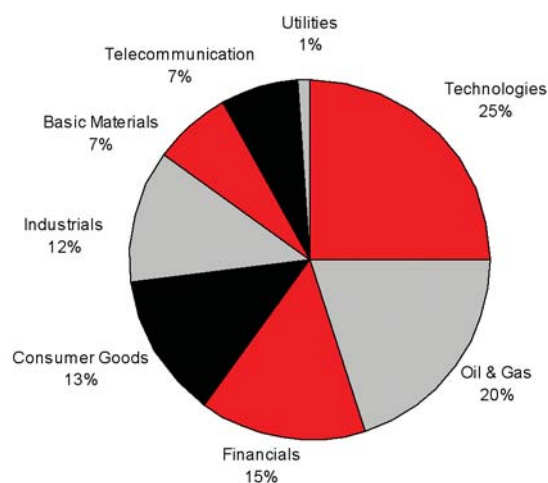
ISIN	COMPANY NAME	REGION	ISIN	COMPANY NAME	REGION
RU0009024277	Lukoil Holdings	Russia	MYL486300006	Telekom Malaysia Bhd	Malaysia
TH0646010007	PTT PCL	Thailand	TRATCELL91M1	Turkcell Iletisim Hizmetleri A.S.	Turkey
CNE1000003W8	PetroChina Co. Ltd.	China	KR7053000006	Woori Finance Holdings Co. Ltd.	South Korea
RU0007661625	GAZPROM OAO	Rissia	BRITSAACNPR7	Itausa-Investimentos Itau S/A Pref	Brazil
TW0002409000	Au Optronics Corp.	Taiwan	GRS015013006	Alpha Bank A.E.	Greece
KR7005930003	Samsung Electronics Co. Ltd.	South Korea	TH0001010006	Bangkok Bank PCL	THailand
KR7034220004	LG Display Co. Ltd.	South Korea	TW0005854004	Taiwan Cooperative Bank	Taiwan
TW0003009007	Chi Wei Optoelectronics Corp.	Taiwan	GRS314003005	Marfin Investment Group Holdings S.A.	Greece
TW0003231007	Wistron Corp.	Taiwan	CNE1000001Z5	Bank of China Ltd.	China
TW0002324001	Compal Electronics Inc.	Taiwan	GRS003013000	National Bnk of Greece S.A.	Greece
TW0003481008	Innolux Display Corp.	Taiwan	IL0006046119	Bank Leumi Le-Israel B.M.	Israel
KR7003550001	LG Corp.	South Korea	KR7086790003	Hana Financial Group Inc.	South Korea
CNE1000002J7	China COSCO Holdings Co. Ltd.	China	HK3377040226	Sino-Ocean Land Holdings Co. Ltd.	Hong Kong
ZAE000026480	Remgro Ltd.	South Africa	TW0002880002	Hua Nan Financial Holdings Co. Ltd.	Taiwan
ZAE000117321	Bidvest Group Ltd.	South Africa	BRBBASACNOR3	Banco do Brsil S/A Ord	Brazil
GRS419003009	OPAP S.A.	Greece	MXP370711014	Grupo Financiero Banorte S.A.B.de C.V. Series B	Mexico
ZAE000071080	Tiger Brands Ltd.	South Africa	CLP371861061	Enerjis S.A.	Chile
KR7005380001	Hyundai Motor Co. Ltd.	South Korea	BRVALEACNPA3	Vale S.A. Pref A	Brazil
ID1000057607	Astra International	Indonesia	MXP370841019	Grupo Mexico S.A.B. de C.V. Series B	Mexico
KR701233007	Hyundai Mobis Co. Ltd.	South Korea	PLKGHM000017	KGHM Polska Miedz S.A.	Poland
CNE10000312	Dongfeng Motor Group Co. Ltd.	China	CNE1000003K3	Jiangxi Copper Co. Ltd.	China
MXP320321310	Fomento Economico Mexicano S.A.B. de CV	Mexico	ZAE000103453	arcelorMittal South Africa Ltd.	South Africa
KR706657003	LG Electronics Inc.	South Korea	CNE1000001V4	Angang Steel Co. Ltd.	China
ZAE000042164	MTN Group Ltd.	South Africa	ID1000068703	Bumi Resources	Indonesia
MXP904131325	Telefonos de Mexico S.A.B. de C.V.L.	Mexico	KR7051910008	LG Chem Ltd.	South Korea

Source: SocGen (September 2009)

Geographic breakdown of the Emerging Markets Universe:



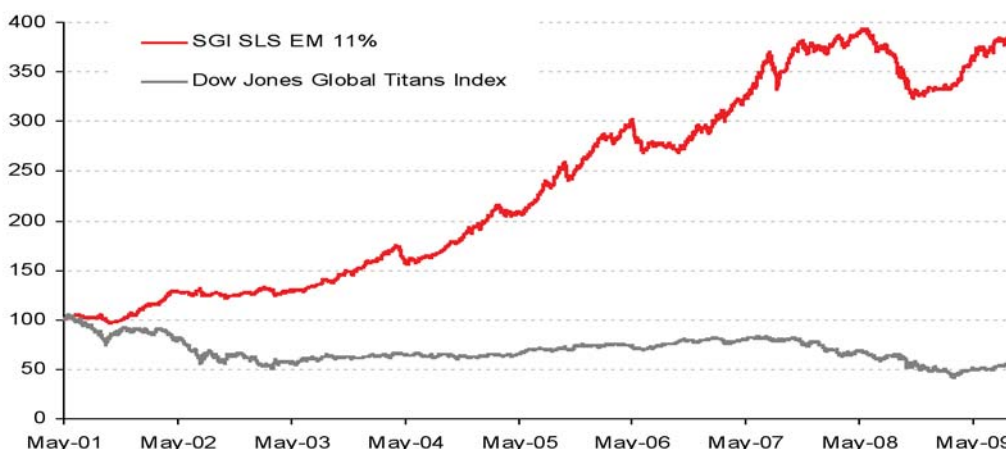
Sector breakdown of the Emerging Market Universe:



Source: SocGen (September 2009)

Past & Simulated Performance

The Societe Generale SLS Emerging 11% Index would have outperformed the Dow Jones Gobl Titans index by over 300% since 2001.



Source: SocGen (8 May 2001 to 15 September 2009)
 Data from 8 May 2001 to 30 April 2008 is simulated. Data from 30 April 2008 to 15 September 2009 is live.

The Underlying Index would have produced a total return of 386.41% since its inception in May 2001. This equates to an annualised return of 17.26% with annualised volatility of 9.72%. The main performance and risk statistics of the Index are described in the table below:

Description	Result Since 2001
Total Return	386.41%
Annualised Return	17.26%
Annualised Volatility	9.72%
Sharpe Ratio	1.78
Max Drawdown	17%

Source: SocGen (8 May 2001 to 15 September 2009)
 Data from 8 May 2001 to 30 April 2008 is simulated. Data from 30 April 2008 to 15 Spetember 2009 is live.

Warning: These Simulated Performance figures are estimates only. They are not a reliable guide to the future performance of this investment.

Warning: Past Performance is not a reliable guide to future performance.

3.4 How the investment returns are calculated

Investors in Emerging Markets Bond will receive back 95% of their initial capital plus 100% of the performance of the Underlying Investment Strategy. Any investment return achieved over and above the initial capital invested will be subject to Deposit Interest Retention Tax (DIRT) at source.

The table below illustrates how the return is calculated on a sample investment of €100,000 in 5 different investment return conditions:

Description	Example 1 Positive Return	Example 2 Very Positive Return	Example 3 Neutral Return	Example 4 Negative Return	Example 5 Very Negative Return
Initial Amount Invested	€100,000.00	€100,000.00	€100,000.00	€100,000.00	€100,000.00
Projected Increase in Underlying Index	10%	40%	0%	-10%	-40%
Participation Rate	100%	100%	100%	100%	100%
Projected Investment Return	€10,000.00	€40,000.00	€0	€0	€0
Return of Capital Protected Amount	€95,000.00	€95,000.00	€95,000.00	€95,000.00	€95,000.00
Projected Value before DIRT	€105,000.00	€135,000.00	€95,000.00	€95,000.00	€95,000.00
Compound Annual Return before DIRT	1.25%	7.96%	-1.30%	-1.30%	-1.30%
Projected DIRT Withheld	-€1,400.00	-€9,800.00	€0.00	€0.00	€0.00
Projected Net Return	€103,600.00	€125,200.00	€95,000.00	€95,000.00	€95,000.00
Compound Annual Return after DIRT	0.91%	5.90%	-1.30%	-1.30%	-1.30%

*Warning: These figures are estimates only.
They are not a reliable guide to the future performance of this investment.*

*Warning: The value of your investment can go down as well as up.
You may get back less than you put in.*

Warning: If you invest in this product you could lose 5% of the money you put in.

Warning: If you cash in your investment before 11 November 2013 you may lose some or all of the money you put in.

Warning: This illustration is based on our understanding of current Revenue law and practice which is subject to change without notice and does not constitute tax advice.



4. Key Features

How does The Emerging Markets Bond Work?

1. The Parties Involved in The Emerging Markets Bond are as follows:

The Issuer is:

Ulster Bank Ireland Limited (The Bank)
Ulster Bank Group Centre
George's Quay
Dublin 2

Ulster Bank Ireland Limited is a part of the Royal Bank of Scotland group of companies along with ABN Amro N.V. and The Royal Bank of Scotland plc.

The Arranger and Lead Distributor is:

Duggan Asset Management
Suite 170 Ivy Exchange
Granby Place
Dublin 1.

2. Brief Description of the Benefits of the Bond:

The Emerging Markets Bond has the following benefits:

Capital Protection: 95% of the initial amount invested is protected on the maturity date of the Bond at the end of the 3 year, 11 month term.

Investment return: Investors in the Emerging Markets Bond will receive back 95% of their initial capital plus a gross return of 100% of the performance of the Underlying Investment Strategy.

Term: 3 years, 11 months.

Underlying Investment Strategy: Societe Generale SLS Emerging 11% Index.

Initial Level: The Initial Level of the Investment Strategy is the level of the index on the Start Date of 11 December 2009. The Initial Level will be provided in the Confirmation Letter sent to each investor.

3. Closing Date:

The closing date for applications is 4 December 2009.

4. Fees & Charges:

Duggan Asset Management will receive a commission in relation to its arrangement of the Emerging Markets Bond. This commission will be dependent on the total amount invested and on prevailing market conditions on the investment date of 11 December 2009. Assuming that the minimum subscription amount is raised and based on financial market conditions as at 6 October 2009, the indicative commission payable to Duggan Asset Management will be 2.45% of the total amount invested.

The Financial Advisors distributing the Bond will receive a distribution commission in relation to their distribution of the

Bond. This commission will be dependent on the total amount invested and on prevailing market conditions on the investment date of 11 December 2009. Assuming that the minimum subscription amount is raised and based on financial market conditions as at 6 October 2009, the indicative commission payable to the Distributor of the Bond is 3.25% of the total amount invested.

5. Minimum Investment:

The minimum investment amount is €25,000.

6. Eligible Investors:

The Emerging Markets Bond is available to individual investors over aged 18. The Bond is also open to pension, corporate, credit union, charity, not for profit and non-resident investors.

7. The Compound Annual Rate:

The Compound Annual Rate equivalent of the promised payment (or Capital Protected Amount of 95% of deposit amount in respect of the Emerging Markets Bond Protected Option) related to the total investment amount is -1.30%.

8. Dividends:

The Emerging Markets Bond does not benefit from dividends. The Bond is suitable only as a capital growth investment.

9. Currency Risk:

Although the Underlying Index may have a currency denomination other than the Euro, investors are not exposed to any change in the value of these currencies against the Euro, the base currency of the investment.

10. Capital Protection:

95% of the initial amount invested is protected on the maturity date of the investment at the end of the 3 year, 11 month term by Ulster Bank Ireland Limited.

Warning: If you invest in this product you could lose 5% of the money you put in.

11. Averaging:

The Emerging Markets Bond has monthly averaging in the final 6 months of the 3 year, 11 month term. In the event of a significant fall in the value of the Underlying Index during the final 6 months of the 3 year, 11 month term, this monthly averaging can protect the value of the investment by reducing the impact of such a fall on the maturity value of the Bond. However, in the event of a significant rise in the value of the Underlying Index during the final 6 months of the 3 year, 11 month term, this monthly averaging can reduce the value of the investment by reducing the impact of such a rise on the maturity value of the Bond.

The potential impact of averaging in negative and positive investment return conditions is illustrated in the tables below:

Illustration 1: Effect of Averaging in final 6 months if investment returns are negative in the final 6 months

	%
Return After 3 Years, 5 months	+50.00
Monthly Returns in final 6 Months	
May 2013	-1.00
June 2013	-0.25
July 2013	-1.00
August 2013	-0.01
September 2013	-0.40
October 2013	-1.20
November 2013	-1.14
Return in final 6 Months with Averaging	-2.61
Return in final 6 Months without Averaging	-5.00
Return at maturity with Averaging	+47.39
Return at maturity without Averaging	+45.00

Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.

Illustration 2: Effect of Averaging in final 6 months if investment returns are positive in the final 6 months

	%
Return After 3 Years, 5 months	+50.00
Monthly Returns in final 6 Months	
May 2013	+1.00
June 2013	+0.25
July 2013	+1.00
August 2013	+0.01
September 2013	+0.40
October 2013	+1.20
November 2013	+1.14
Return in final 6 Months with Averaging	+2.61
Return in final 6 Months without Averaging	+5.00
Return at maturity with Averaging	+52.61
Return at maturity without Averaging	+55.00

Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.

Where does my investment go?

If a sample investment of €100,000 is made, it will be used, at the date of investment on 11 December 2009, as follows:

€95,000 or 95% will be used to secure the promised payment of €95,000 payable after 3 years, 11 months. This is equivalent to a promised return on this part of the investment of -1.30% p.a. before tax is deducted.

€5,000 or 5% will be used to secure the cash bonus which may be payable after 3 years, 11 months.

€0 or 0% will be taken in charges.

If the cash bonus is zero, the promised payment will represent a return of -1.30% p.a. on the sample total investment over the period to the date of the promised payment, before any tax is deducted.

Do I have access to my investment?

The Emerging Markets Bond has been designed as a medium term investment and should only be considered by investors who do not require access to their investment before the end of the term. Early encashment requests will only be permitted in exceptional circumstances. Investors should also note that the 95% Capital Protection applies only on the maturity date at the end of the 3 year, 11 month term.

Warning: The Emerging Markets Bond has a 3 year, 11 month term. It is only suitable for investors who are willing to invest their capital for this 3 year, 11 month term.

Warning: If you cash in your investment before 11 November 2013 you may lose some or all of the money you put in.

Warning: Deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period. If an investor withdraws from the Bond prior to the end of the 3 year, 11 month term, the practice of front-end loading will impact on the amount of money that the investor receives.

What happens if I die before The Bond matures?

In the event of the death of a sole investor or surviving joint account holder prior to the expiry of the term, the account will continue to the maturity date in the name of the executor or administrator. Alternatively, subject to the Bank's discretion, the Bond may be redeemed prior to maturity, subject to normal probate regulations, at its realisable value which may be lower than the original amount invested and lower than the principal protected amount.

Warning: If you cash in your investment before 11 November 2013 you may lose some or all of the money you put in.

Warning: Deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period. If an investor withdraws from the Bond as a result of death in the early period, the practice of front-end loading will impact on the amount of money that the investor receives.

Warning: The above information represents our understanding of the taxation treatment of The Emerging Markets Bond but does not constitute tax advice. Investors should satisfy themselves independently of the taxation treatment of the Bond, in relation to revenue reporting requirements and the implications of non-disclosure in their own personal circumstances.

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

What about tax?

Our understanding is that the taxation treatment of an investment in this strategy for private individuals, based on current tax law, is as follows:

- Your investment is subject to the deduction of Deposit Interest Retention Tax (DIRT) from any interest added to your investment at maturity (i.e. the excess of (i) the Capital Protected Amount plus the Variable amount over (ii) the Deposit Amount), before paying it to you. Under current legislation, the effective DIRT rate is 28%. This is subject to change without notice.
- You will be obliged to include this investment return amount, before DIRT, in your income tax return for the year in which the investment matures.
- You will have no further personal tax liability on returns from this investment once DIRT has been deducted at maturity.
- Some investors, such as individuals over 65 and those who are permanently incapacitated, may be able to reclaim from the Revenue any DIRT deducted from the investment at maturity, if they are not otherwise liable to tax on this investment.
- Companies, Pension Funds, Non-Resident Investors, Credit Unions and Registered Charities may be entitled, in certain circumstances, to be paid the investment return when the investment matures, without deduction of DIRT.
- The investment return may also be subject to the Health Levy in your hands in the year in which the investment matures.
- The investment return may also be subject to PRSI in your hands in the tax year in which the Bond matures.



5. Risk & Wealth Warnings

Counterparty Risk

Warning: If either Counterparty (Ulster Bank or Societe Generale) is not in a position to perform its role in the Bond as defined in the Terms & Conditions at maturity, this may impact either the Capital Protection or Potential Investment Return payable to the investor.

Taxation

Warning: This document is based on our understanding of current Revenue law and practice which is subject to change without notice and does not constitute tax advice.

Capital Protection

Warning: If you invest in The Emerging Markets Bond you can lose 5% of the money you put in.

Warning: The value of your investment may go down as well as up. You may get back less than you put in.

Warning: If you cash in your investment before 11 November 2013 you may lose some or all of the money you put in.

Past Performance

Warning: Past Performance is not a reliable guide to future performance.

Simulated/Projected Performance

Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.

Charges

Warning: Deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period. If an investor withdraws from the Bond prior to the end of the 3 year, 11 month term, the practice of front-end loading will impact on the amount of money which the investor receives.

Investment Risk

Warning: The value of your investment can go down as well as up.

Warning: Investors in this Bond will not benefit from dividends. This Bond is only suitable for capital growth.

Volatility

Warning: The Underlying Index within this bond can be volatile.

Investment Term

Warning: This is a 3 year, 11 month investment. There is no guarantee that the Underlying Investment Strategy will have appreciated sufficiently over this investment term to generate a positive return.

Warning: The Emerging Markets Bond has a 3 year, 11 month term. The Bond is only suitable for investors who do not require access to their investment prior to the end of this 3 year, 11 month term.

Warning: If you cash in your investment before 11 November 2013 you may lose some or all of the money you put in.

6. Terms & Conditions

The following documentation is required by personal investors for anti money laundering purposes:

- **Proof of Identity**

Certified copy of passport or drivers license for each person signing the application form certified by any of the following: Garda, Accountant, Solicitor, designated body.

- **Proof of address** (2 forms required)

Original utility bill, bank statement or revenue documentation for each person signing the application form and less than 6 months old.

Other documentation will be required for corporate, pension, credit union and charitable organisation applicants. Please refer to your financial advisor for more details.

Non-resident clients will be required to present verification of identity from a reputable financial institution in the client's country of residence.

The following documentation is required by all investors for taxation purposes:

- **Personal Investors:**

Documentary evidence of PPS Number for each person signing the application form. Certified copy of P60, company payslip (if the company is registered for tax) or official correspondence from the Revenue Commissioners less than 6 months old.

- **Non-Personal Investors:**

Documentary evidence of Tax Reference Number. Certified copy of official correspondence from the Revenue Commissioners less than 6 months old.

1. Definitions

'**DAM**' means Duggan Asset Management Limited trading as Duggan Asset Management and its successors, assigns and transferees. Duggan Asset Management Limited trading as Duggan Asset Management is regulated by the Financial Regulator.

'**The Bank**' means Ulster Bank Ireland Limited and its successors, assigns and transferees. Ulster Bank Ireland Limited is regulated by the Financial Regulator.

'**Bond**' means The Emerging Markets Bond.

'**Account**' means a deposit account opened in the name of DAM with the Bank.

'**You/your**' means the person(s) (natural or corporate) investing money in the Bond in accordance with these Terms and Conditions and includes their successors.

'**Capital Protected Amount**' means 95% of the Deposit Amount.

'**Variable Amount**' shall mean the investment return payable in addition to the Capital Protected Amount in respect of The Bond in accordance with Clause 5.

'**Term**' means the duration of the Bond, which commences on 11 December 2009 ('the

Start Date') and ends on the Maturity Date being 11 November 2013.

'**Underlying Index**' means the Societe Generale SLS Emerging 11% Index (Bloomberg: SGIXSE11 Index)

'**Start Date**' means 11 December 2009.

'**Maturity Date**' means 11 November 2013.

'**Closing Date**' means 4 December 2009.

'**The Calculation Agent**' means Ulster Bank Ireland Limited.

'**The Counterparty**' means Societe Generale.

'**Deposit Amount**' means the amount invested by you in the Bond.

'**Business Day**' means a day on which banks are open for business in Dublin and London.

2. Availability

(a) The Bond is available to personal customers (aged 18 or over) whether in their own name or in joint names. Pension funds, companies, credit unions and other institutions/entities may also invest in the Bond. The minimum deposit is 25,000.

(b) The Closing Date for applications is 4 December 2009 or earlier if fully subscribed. DAM accepts 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 by DAM. Applications will not be accepted after the Closing Date.

(c) All payments in relation to the Bond will be denominated in Euro.

(d) No interest will be paid to you in the period up to the Start Date.

3. Documentation Requirements

If you are not investing in the Bond on an execution only basis or if you are being advised by an authorised investment intermediary, you must complete a full fact-find for your financial advisor which is required in order to enable your financial advisor to fulfill its obligations in assessing the suitability of this product for your needs. In addition, you will need to satisfy the anti-money laundering requirements outlined above.

4. Your Investment

Your investment is 95% capital protected at maturity. DAM will place your investment in the Account in DAM's name with the Bank. The maturity proceeds of your investment will be returned to you at the end of the Term together with any investment return payable by the Bank.

5. Interest

(a) The potential investment return payable on the Bond will be determined on the Maturity Date of the Bond.

(b) The investment return payable on the maturity in respect of the Bond will be 100% of the uplift, if any, in the Underlying Index and will be added to the capital protected level of 95% of the amount initially invested.

(c) The Closing Level of the Underlying Index will be subject to averaging. This is calculated by taking the closing levels of this Index at the Observation Dates and taking their average closing level to provide the final Closing Level. The Observation Dates will be the 11th calendar day of each month, from and including 11 May 2013 to 5 November 2013 (i.e. 7 observations in total) provided that if the date on which the observation is to be made is not a Business Day, Condition 5(e) will apply.

Please note that Averaging over the Term may have a negative impact on the investment return meaning that you may not receive the maximum benefit of any gains that may be made by the asset within the Underlying Investment Strategy over the Term. However, averaging over the Term may also have the effect of protecting your investment from the full extent of any losses that may be suffered within the asset that makes up the Reference Basket over the Term.

(d) Whilst your investment is 95% capital protected by the Bank, any return that tracks the performance of the Underlying Index is not certain. Investment return is provided from the payout of a financial derivative purchased by the Bank from Societe Generale (the "Counterparty") before the Start Date. Any investment return payable on the Account at the maturity of the Term is conditional on the fulfilment of the Counterparty's obligations to the Bank.

In certain, albeit extreme circumstances, the Counterparty may terminate or default on the derivative contract before its natural expiry. If this were to happen, the return on the Account to such termination will be calculated using best market practice and no further investment return will be earned on the Bond.

Investment return earned to the date of termination will be credited to the Account on the Maturity Date. You will be entitled to the return of the Capital Protected Amount plus any investment return earned, payable on maturity. In the event of the Counterparty being unable to fulfil its obligations to the Bank, your returns may be limited to the return of your Capital Protected Amount only.

- (e) If any date mentioned in this Clause 5 does not fall on a Business Day, the next following day on which they are open will be used in its place unless such a day should fall in the next calendar month, when the first preceding Business Day will instead be used.
- (f) Investment return earned on the Bond will be dependant on fluctuations in financial markets that are outside DAM's and the Bank's control. Past Performance or Simulated Past Performance is not a reliable guide to future performance.

6. Withdrawals

- (a) Your investment is a fixed investment for the Term of the Bond and is intended only for investors who do not require access to their investment prior to its maturity.
- (b) In the event of the death of a sole investor or surviving joint investor prior to the expiry of the Term, the Bond will continue to the Maturity Date in the name of the executor or administrator. Alternatively and where possible, the funds may be withdrawn, subject to normal probate regulations, at the realisable value of the Bond (as determined by the Bank) which may be lower than the lower than the Capital Protected Amount.

No additional investments in the Bond are allowed during the Term of the Bond.

7. Disclaimer

Reference within the Reference Basket to particular stocks or indices are included only to indicate the basis upon which the investment return is calculated, not to indicate any association between DAM or the Bank and the relevant stock or the relevant index provider, nor does such reference indicate any endorsement of the investment by the relevant stock or 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 stock market and/or the figure at which the stock market, index or exchange 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 relevant stock market, relevant index or related exchange and shall not be under any obligation to advise any person of any error therein.

8. Tax

The investment is held in the form of a deposit account. Under current legislation, the interest, if any, payable to investors (i.e. the excess of (i) the Capital Protected Amount plus the Variable Amount over (ii) the Deposit Amount) paid to investors who are Irish resident at maturity will be subject to Deposit Interest Retention Tax of 28%, being the standard rate of Deposit Interest Retention Tax (25%) plus 3%. These tax deductions will apply at the maturity of the investment and will be made at source by the Bank.

Certain non-residents, pension funds, charities, credit unions and companies may apply to receive returns gross without deduction of tax. Investors are responsible for providing any information or documentation necessary to confirm status.

All investors must accurately disclose all material facts. Investors are responsible for providing any information or documentation necessary to confirm non-residency, pension fund, charity, company etc status. Investors must satisfy themselves in relation to all revenue reporting and disclosure requirements and the implications of any such non-disclosure.

9. Maturity

The proceeds of your investment will be paid on or after 11 November 2013. Your Financial Advisor will contact you before the Bond matures, advising you of the forthcoming Maturity Date and advising you of your options with respect to the maturing amount.

10. Right to Terminate Contract

You have the right to cancel this contract prior to the Start Date of the Bond.

11. Variation

DAM reserves the right to amend these Terms and Conditions, subject to the written consent of the Bank, during the Term of the Bond if there is a material, legal, tax or regulatory change affecting these Terms and Conditions. Your Financial Advisor will notify you of any changes at least 30 days in advance of changes taking effect.

12. Fees

DAM receives a fee for arranging this product. An authorised investment intermediary receives a fee for distributing this product. These fees are set out in the Key Features part of this brochure and are reflected in the terms of the investment.

13. Confidentiality

DAM and the Bank observe a duty of confidentiality about your financial affairs. Neither DAM nor the Bank will disclose details of your investment or your name and address to anyone else, other than to any confidentially appointed agents acting on their behalf or where:

- They are permitted or compelled by law to do so.
- Disclosure is made at your request and with your consent.

The Bank may pass your information to other companies within the Royal Bank of Scotland group of companies, of which it is a member.

14. Deposit

By investing in this Bond, you neither hold the securities which are constituents of the relevant index nor benefit from any dividends paid on those assets. Your money is held on deposit with the Bank at all times.

15. Representation

The contents of this brochure are the responsibility of DAM and the Bank accepts no liability in respect this brochure or its contents other than the information directly related to the Bank. The Bond is distributed by DAM under its distribution agreement with the Bank. Any other Distributor appointed by DAM is appointed by DAM only and is not employed by the Bank.

16. Market Disruption

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 Underlying Index for any reason whatsoever; or (iii) the calculation and/or publication of the indices 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; then the Bank may adjust the values used in the calculation of the investment return as it deems appropriate, having regard to the Market Disruption in question. The investment return (if any) may be lower as a result of the adjustment. Further, following a Market Disruption Event, the Bank may substitute the index with a similar investment.

17. Information

These Terms & Conditions represent the terms of the contract between you and the Bank. You acknowledge that your application is made on the basis of and is subject to, these Terms & Conditions and the attached brochure and that you have not relied on any representations or other information (whether oral or written) other than as set forth herein. All information that is supplied to you and all communications with you will be in English. The information contained in this brochure is correct at the date sent to you.

18. Jurisdiction

The Terms and Conditions shall be governed by and construed in accordance with the laws of Ireland and the Courts of Ireland shall have exclusive jurisdiction to resolve any disputes in connection with these Terms and Conditions.



Data Protection

Your Personal Data - Ulster Bank Ireland Limited

1 Your information

1.1 Who is Ulster Bank Ireland Limited?

Your account is with Ulster Bank Ireland Limited who is a data controller. Your broker, distributor or intermediary may be a joint data controller with Ulster Bank Ireland Limited. Please refer to your broker, distributor or intermediary for information on how they will use your information. Ulster Bank Ireland Limited is a member of the Royal Bank of Scotland Group (the Group). For information about our Group of companies please visit please visit www.rbs.com <<http://www.rbs.com/>> and click on 'About Us', or for similar enquiries please telephone 00 44 131 556 8555.

1.2 Your electronic information

If you contact Ulster Bank Ireland Limited electronically, we may collect your electronic identifier, (e.g. Internet Protocol (IP) address or telephone number) supplied by your service provider.

2 How Ulster Bank Ireland Limited uses your information and who we share it with?

2.1 Ulster Bank Ireland Limited may use and share your information with other members of the Group to help Ulster Bank Ireland Limited and them. It will be used, for example, to help develop customer relations or to help Ulster Bank Ireland Limited make credit related decisions about you. Such credit-related decisions may be made solely by means of automatic processing. You consent to such processing.

2.2 Your information includes information about your transactions.

2.3 Ulster Bank Ireland Limited may link information between your accounts and other products and services you hold with Ulster Bank Ireland Limited. Ulster Bank Ireland Limited may also link information between you and others with whom you have a financial link. Unless you consent, Ulster Bank Ireland Limited will not use the links for marketing purposes.

2.4 Ulster Bank Ireland Limited does not disclose your information to anyone outside of the Group except:-

- Where we have your consent
- Where we are required or permitted to do so by law
- To other companies who provide a service to us or you
- Where we may transfer rights and obligations under this agreement

2.5 From time to time Ulster Bank Ireland Limited may change the way in which we use your information. Where Ulster Bank Ireland Limited believes you may not reasonably expect the change we shall notify you.

2.6 If you would like a copy of the information we hold about you, please write to: Ulster Bank Ireland Limited, Capital Markets, 3rd Floor Ulster Bank Group Centre, Georges Quay, Dublin 2. A fee may be payable.

3 Credit reference and fraud prevention agencies

We may make periodic searches of and provide information (including how you manage your account and any arrears) to, credit reference agencies, fraud prevention agencies and the Group to manage and take decisions about your account. Such information may be used by other credit providers to take decisions about you and your financial associates. We can provide the names and addresses of the agencies we use if you would like a copy of your information held by them. Please contact us on 01 709 2099. The agencies may charge a fee.

Deposit Protection Scheme

Deposits with the Bank are covered under the terms of the Deposit Protection Scheme, which is administered by the Financial Regulator and is funded by authorised credit institutions. This scheme provides for the protection of deposits irrespective of currency.

Investor Compensation Scheme

The Investor Compensation Act, 1998 provides for the establishment of a compensation scheme and the payment, in certain circumstances of compensation to certain clients (known as eligible investors*) of the Bank. Protection under the scheme is limited to deposits held by one depositor subject to a maximum compensation payment of €100,000.

*A person is an eligible investor if he/she is a client of an investment firm that has failed and has made an application for payment under Section 34 of the Investor Compensation Act, 1998.

Complaints Procedure

DAM aims to provide the highest quality of customer service at all times. If you have any complaint, please contact Duggan Asset Management, Suite 170 Ivy Exchange, Granby Place, Dublin 1. If you are dissatisfied with the outcome of our efforts to resolve your complaint you may refer your complaint to the Financial Services Ombudsman's Bureau, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2. Lo Call: 1890 88 20 90; Telephone (01) 6620899; Fax (01) 6620890. e-mail: enquiries@financialombudsman.ie

7. Application Form

Please complete in block capitals and return along with your cheque/draft made payable to Ulster Bank Ireland Limited. 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 Emerging Markets Bond in the name(s) of:

Primary name: Date of Birth: / /

Address:

Tel (Home): (Mobile):

Email: PPS Number:
(evidence required)

Secondary name: Date of Birth:

Address:

Tel (Home): (Mobile):

Email: PPS Number:
(evidence required)

I / We wish to invest € in The Emerging Markets Bond (€25,000 min).

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 Company 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.**

Execution Only: I/We acknowledge that I/we have requested information on The Emerging Markets Bond 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 purchase of the Bond on an execution only basis. I/We acknowledge that investments may fall as well as rise in value and that I/we have not received any advice from a regulated financial entity with respect to the Bond.

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 Bond 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 11 December 2009.

I/We hereby request and authorize you: (a) to open and administer an account for me/us with Ulster Bank Ireland Limited and (b) to give effect to any written request, direction or instruction relating to the account on the signature(s) of me/us in accordance with the Terms and Conditions.

By signing this application I am/we are agreeing that Ulster Bank Ireland Limited may use my/our information in the way described in this form and in the associated Terms and Conditions. Ulster Bank Ireland Ltd may obtain information about me/us from credit reference agencies and Group records to check my/our credit status and identity. I/We understand that the agencies will record enquiries which may be seen by other companies who make their own credit enquiries. Ulster Bank Ireland Limited may use credit scoring.

Primary signature: _____ Date: _____

Secondary signature: _____ Date: _____