



CATHEDRAL
Financial Consultants Limited

BESPOKE CAPITAL SECURE CALLABLE BOND



INVESTMENT RATIONALE

Equity markets worldwide have been in significant decline in recent times. Cathedral believes that there is strong potential for a recovery in world equity markets over the next 4 years. We believe that this Bond offers potential to generate returns significantly in excess of deposit rates, with potential payout dates after year 1, 2, 3 and 4, whilst having 100% capital security from an S&P A+ rated financial institution.

The Bond will mature with an annual coupon of 8% if each of 3 carefully selected indices is up in value by any amount from their Initial Strike Prices on the 1st, 2nd, 3rd or 4th anniversaries of the Bond. The Start Date is 24th November 2008 and the anniversaries are 24th November 2009, 24th November 2010, 24th November 2011 and 26th November 2012 respectively. If the Bond continues until Maturity at the end of the 4th year and at that point any of the 3 indices are equal to or below their initial prices, capital is returned to the investor with no coupon payable, that is the worst case scenario.

Cathedral have chosen an Index Basket with exposure to Europe, China and Brazil, as we believe that these markets offer exceptional value given the sustained downturn global equity markets have experienced in recent times and are ideally poised to recover if and when global markets begin to recover. From a historical and timing perspective we believe we are investing at a time which represents good value and growth prospects. Europe is one of the world's oldest and most developed markets and offers good return potential over the medium term, whilst the "emerging markets" of Brazil and China also offer superb potential for growth over the short, medium and long term.

DOW JONES EUROSTOXX 50

The Dow Jones EURO STOXX 50 Index, Europe's leading Blue-chip index for the Eurozone, provides a Blue-chip representation of supersector leaders in the Eurozone. The index covers 50 stocks from 12 Eurozone countries: Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain.

Key Constituents:

Total, Siemens, Banco Santander, Telefonica, BNP Paribas

HANG SENG CHINA ENTERPRISES INDEX

The Hang Seng China Enterprises Index ("H-Share Index") was launched on 8 August 1994 as a benchmark for the stock price performance of the China incorporated companies listed in Hong Kong. Shares of these companies are called H shares.

Key Constituents:

Bank of China, Petro China, China Telecom, China Railway and China Life

ISHARES – MSCI BRAZIL INDEX FUND

The iShares MSCI Brazil Index Fund seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of publicly traded securities in the Brazilian market, as measured by the MSCI Brazil Index. The Index seeks to measure the performance of the Brazilian Equity Market. The index seeks to capture 85% of the total market capitalization. The constituent companies are reviewed and re-allocated every quarter.

Key Constituents:

Petrobras, Cia Vale Do Rio Doca, Banco Bradesco, Unibanco

Source: Cathedral

WARNING: THE VALUE OF YOUR INVESTMENT MAY GO DOWN AS WELL AS UP. IF YOU ENCASH YOUR INVESTMENT BEFORE THE MATURITY DATE YOU MAY LOSE SOME OR ALL OF THE MONEY YOU PUT IN.

KEY FEATURES

HOW DOES THE BESPOKE CAPITAL SECURE CALLABLE BOND WORK?

1. The Product Producer is:

IIB Bank plc, Sandwith Street, Dublin 2.

2. Brief Description of the Benefits of the Bond:

The Bespoke Capital Secure Callable Bond is a deposit based product which will mature on 24th of November in any year (save that the relevant date is 26th November in 2012) during the 4 year term of the Bond if the closing price of every Index is above the closing price on 24th November 2008. If the closing price of every Index is not above the closing price on 24th November 2008 at the end of the term of the Bond then no Interest will be payable and only the Capital Secure Portion of the Bond will be returned.

| End of Year that all Indices are above their initial levels | Coupon | Coupon After Tax | Compound Annual Return | Compound Annual Return After Tax |
|---|--------|------------------|------------------------|----------------------------------|
| 1 | 8% | 6.2% | 8.0% CAR | 6.2% CAR |
| 2 | 16% | 12.3% | 7.7% CAR | 6.0% CAR |
| 3 | 24% | 18.5% | 7.4% CAR | 5.8% CAR |
| 4 | 32% | 24.6% | 7.2% CAR | 5.7% CAR |

The Indices are:

EuroSTOXX50 Index (Bloomberg code: SX5E Index)

Hang Seng China Enterprises Index (Bloomberg code: HSSCEI Index)

IShares MSCI Brazil (Bloomberg code: EWZ UP Equity)

The minimum compound annual return is 0.0%.

3. Dividends:

Neither you, as an investor in the Bond, nor the Bank hold securities which are constituents of the Indices nor benefit from any dividends paid on those securities. The Bespoke Capital Secure Callable Bond is suitable only as a capital growth investment.

4. Currency Risk:

The performance of each Index is calculated according to the change in its nominal price and there is consequently no exposure to exchange rates within the Bond.

WHERE DOES MY INVESTMENT GO?

Your proposed investment will be used, at the date of the investment, as follows:

100% of your investment will be held on deposit with the Bank. In the event that the Bond does not generate any Interest during the investment term, you will only be entitled to the return of 100% of your investment.

If Interest is payable on the Bond either during or at the end of the investment term, you will be entitled to the payment of such Interest after deduction of tax (if applicable).

The Bank may enter into a swap arrangement with a third party whereby the Bank may agree to exchange the income stream generated by the deposit of your investment for such sums as may be necessary to pay any Interest payable on the Bond. Any such swap arrangement made by the Bank will not affect the obligation of the Bank with regard to any Interest payable to you under the terms of issue of the Bond. Any benefit that the Bank receives from your investment over and above the Interest that is payable to you under the terms of the Bond will be for the Bank's own account.

Cathedral will receive a fee of 3.8% for distributing this product. This will not affect the allocation of your investment in the Bond or any Interest payable to you under the terms of issue of the Bond.

KEY FEATURES – CONTINUED

DO I HAVE ACCESS TO MY INVESTMENT?

Your investment is for the fixed term of the Bond and is intended only for investors who do not require access to their investment prior to its maturity. The capital secure portion of the Bond is payable only at the Maturity Date. Your investment is not readily realisable but in the event that you wish to encash your investment before the Maturity Date (i) this may be done at the prevailing realisable value of the Bond which may be lower than the capital amount secured on your investment and (ii) an administration fee of 1% (subject to a maximum of €500) will additionally apply. It may be difficult to sell or realise the investment, to obtain reliable information about the encashment value or the extent of the risks to which it is exposed.

WARNING: THE ONGOING COST OF FUNDING THE UNDERLYING STRUCTURE THAT WILL PAY ANY INTEREST TO YOU ON THE MATURITY DATE MEANS THAT IF YOU WISH TO ENCASH YOUR INVESTMENT BEFORE THE MATURITY DATE, YOU MAY LOSE SOME OR ALL OF THE MONEY YOU INVESTED. THE VALUE OF YOUR INVESTMENT MAY GO DOWN AS WELL AS UP.

WHAT HAPPENS IF I DIE BEFORE THE ACCOUNT MATURES?

In the event of the death of a sole investor or surviving joint account holder prior to the expiry of the Term, the Bond will continue to the Maturity Date in the name of the executor or administrator. Alternatively, the Account may be redeemed prior to maturity, subject to normal probate regulations, at its realisable value which may be lower than the capital secured amount.

WHAT ABOUT TAX?

Any Interest payable on maturity of the Account is subject to Deposit Interest Retention Tax (“DIRT”) where applicable. DIRT is currently payable at 23% on any such interest. Tax relief provisions currently applying mean that, for certain investors, any Interest payable on maturity of the Bond may be exempt from DIRT. It is your responsibility to obtain any tax relief that may apply. You should satisfy yourself in relation to Revenue reporting requirements and any implications of non-disclosure. Both the rate of tax and tax rules are subject to change without notice.

INVESTOR INFORMATION

Minimum investment

The minimum investment in the Bond is €25,000.

Closing date

The closing date for receipt of applications is 17th November 2008.

Following the progress of your investment

Cathedral will write to you on an annual basis, informing you of the performance of your investment.

Further information

Please make sure that the Bespoke Capital Secure Callable Bond is an investment opportunity that matches your needs. It is advised that you speak to your financial advisor in relation to this investment.

How to proceed

1. Please read this brochure carefully.
2. Decide how much you wish to invest.
3. Complete the attached application form and submit by 17th November 2008 at the latest.
4. Forward the application form, together with appropriate funds and documentation to Cathedral.

Cathedral Financial Consultants Limited

Cathedral Financial Consultants is based in Dundalk and Drogheda and was founded in 2003. It provides financial advice to a broad range of clients and is regulated by the Financial Regulator.

IIB Bank

IIB Bank is a wholly owned subsidiary of KBC, a financial services company headquartered in Brussels. IIB bank has been operating in Ireland for over 30 years, its main business being the provision of lending and investment services.

IIB bank is a licensed bank regulated by the Financial Regulator. IIB Bank is a plc company registered with the Companies Registration Office under registration number 40537. The number assigned to IIB Bank in accordance with section 9 of the Value Added Tax Act 1972 is: 8F86824G. www.iibbank.ie

TERMS & CONDITIONS

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

Proof of Identity

Certified copy of passport or drivers licence certified by any of the following: Garda, Accountant, Solicitor or designated body.

Proof of Address

Two original utility bills, bank statements or revenue documentation as appropriate, less than 6 months old. Other documentation will be required for corporate, pension and charitable organisation applicants. Please refer to your financial advisor for more details.

1. Definitions

'Cathedral' means Cathedral Financial Consultants Limited and its successors, assigns and transferees.

'Bank' means IIB Bank plc and its successors, assigns and transferees.

'Bond' means The Bespoke Capital Secure Callable Bond.

'Account' means The Bespoke Capital Secure Callable Bond Deposit Account.

'Index Basket' means the EuroSTOXX 50 (SX5E), Hang Seng China Enterprises (HSCEI) and IShares MSCI Brazil (EWZ UP) each a 'Index'

'Year End' means 24 November 2009, 24 November 2010, 24 November 2011 and 26 November 2012.

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

'Interest' means the gross interest calculated in accordance with Clause 4.

'Term' means the duration of the Account, which is 4 years commencing on 24 November 2008 ('the Start Date') and maturing on 26 November 2012 ('the Maturity Date').

2. Availability

- (a) The Account is open to personal customers (aged 18 or over) opening an account in their own name or joint accounts in joint names. Pension funds, companies, credit unions and other institutions may also open an Account. The minimum deposit is €25,000.
- (b) The closing date for applications is 17 November 2008. The Bank 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 the Bank. Applications will not be accepted after the closing date.
- (c) All payments in relation to the Account will be denominated in Euro.

3. Your Investment

Your investment is placed in a fixed term deposit account in your name with the Bank who is the ultimate provider of the capital secure portion of this investment. The Bank undertakes to repay 100% of your original investment at the end of the Term together with any Interest payable in accordance with Clause 4.

4. Interest

- (a) Interest payable on the Bond will not be determined until each Year End.
- (b) Interest will be calculated by reference to the value of each Index at each

Year End. If the closing prices of every Index in the Index Basket at any Year End are above their relevant closing prices on the Start Date then the Bond will automatically mature. Interest will be paid at a rate of 8% of your initial investment amount for each year since the Start Date, if this condition is met. If by the Maturity Date the official closing price of every Index in the Index Basket is not above their relevant official closing price on the Start Date and the Bond has not previously matured, then no Interest will be payable.

- (c) At Maturity, you will receive 100% of the initial amount deposited together with any Interest payable.
- (e) Interest will be added to the Account on the Maturity Date and will be paid after deduction of Deposit Interest Retention Tax (DIRT) where applicable.
- (f) Interest earned on the Bond will be dependent on fluctuations in financial markets that are outside the Bank's control. Historical performance is no indication of future return.

5. Maturity

The proceeds of your investment will be paid on 30 November 2012, or 30 November 2009, 30 November 2010 or 30 November 2011 in the event the Bond matures early. Cathedral will contact you before the Account matures, advising you of the forthcoming maturity date. If, for any reason, Cathedral receives no specific instructions by the time the Account matures, the proceeds will be transferred to the Bank's demand deposit account in your name and the prevailing terms and conditions for the Bank's demand deposit account will apply.

7. 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 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 and where possible, the funds may be withdrawn, subject to normal probate regulations, at the realisable value of the Account (as determined by the Bank in its sole discretion) which may be lower than the original amount invested.
- (c) In the event of any encashment before the Maturity Date, an administration fee of 1% of the realised value of your investment will be charged, subject to a maximum fee of €500 per Account.

8. Right to Terminate Contract

You have the right to cancel this contract prior to the Start Date of the Bond. If you wish to cancel, written notice must be received in writing by IIB Bank plc, Sandwith St, Dublin 2 before 17 November 2008.

9. Variation

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

TERMS & CONDITIONS – CONTINUED

10. Bank Remuneration

Any benefit the Bank receives from your investment will be for the Bank's own account and will not affect any Interest payable to you under the Terms of the Bond. Other than in the event of early encashment, no fees, charges or expenses are levied by the Bank when processing your investment.

11. Confidentiality

Both Cathedral and the Bank observe a duty of confidentiality about your financial affairs. Neither party will disclose details of your account 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.

12. Representation

The Bank makes no 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 sole responsibility of Cathedral. The Bank acts as deposit taker and is not liable to you for the responsibilities of Cathedral in relation to the Bond.

13. Unforeseen Events

Neither Cathedral nor the Bank nor its agent(s) will be liable for any loss you may suffer if either party or its agent(s) is prevented from providing services to you as a result of industrial action or other cause beyond the reasonable control of either party or its agent(s). Cathedral reserves the right not to proceed, for whatever reason, with the Bond and to refund your investment.

14. Information

The Terms and 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 and Conditions and that you have not relied on any representations or other information (whether oral or written) other than as set forth herein. All information 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.

15. 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

Details, information and personal data collected from you or from Third Parties in respect of your application, will be retained by Cathedral and the Bank and will be stored on computer and used for the purpose of processing your application for investment and administering any resulting service. You consent to the disclosure by Cathedral and the Bank of any information and personal data from you to its respective agents. You have the right to receive a copy of all personal data held by Cathedral and the Bank following a written request, and to have any inaccuracies in that personal data corrected in accordance with the provisions of Data Protection legislation.

Deposit Guarantee Scheme**

Deposits with IIB Bank are covered under the terms of the Deposit Protection Scheme, which is administered by the Irish Financial Services Regulatory Authority and is funded by authorised credit institutions. This scheme provides for the protection of deposits irrespective of currency. Protection under the scheme guarantees 100% of all deposits held by one depositor subject to a maximum compensation payment of 100,000.

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 IIB Bank. Protection under the scheme is limited to 90% of the amount of a client's loss which is recognised for the purpose of the Investor Compensation Act, 1998 subject to a maximum compensation payment of €20,000.

*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.

**Investors may not be eligible for compensation under both the Deposit Protection Scheme and the Investor Compensation Scheme.

Complaints Procedure

Cathedral aims to provide the highest quality of customer service at all times. If you have any complaint, please contact either the intermediary who arranged this investment for you or Cathedral Financial Consultants, 16 Roden Place, Dundalk, Co. Louth. 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. Call: 1890 88 20 90; Telephone (01) 6620899; Fax (01) 6620890. e-mail: enquiries@financialombudsman.ie

APPLICATION FORM

PLEASE COMPLETE IN BLOCK CAPITALS AND RETURN ALONG WITH YOUR CHEQUE MADE PAYABLE TO IIB BANK PLC. 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 Bespoke Capital Secure Callable Bond and for that purpose I/we hereby request you to open an account with IIB Bank plc, in the name(s) of:

| | | | |
|---|----------------|---------------------|-----------------------|
| Primary Name: | | Date of Birth: | |
| Address: | | | |
| Tel.No. (Mobile): | | Tel.No. (Home): | |
| Email: | | | |
| Secondary Name: | | Date of Birth: | |
| Address: | | | |
| Tel. No. (Mobile): | | Tel. No. (Home): | |
| Email: | | | |
| I/We wish to invest € in The Bespoke Capital Secure Callable Bond (€25,000 minimum) | | | |
| <i>Please tick as appropriate</i> | Pension Fund € | Corporate Account € | Personal Investment € |
| Other; please specify: | | | |
| I/We qualify for the following taxation classification: <i>Please tick appropriate box</i> | | DIRT € | Other* € |

Execution Only: I/We acknowledge that I/we have requested information on The Bespoke Capital Secure Callable 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 in respect of the Bond.

| | |
|--------------------|----------------------|
| Primary Signature: | Secondary Signature: |
|--------------------|----------------------|

Please make cheques payable/arrange transfer to IIB Bank plc. Account details as follows:

| | |
|---|---|
| Bank: Bank of Ireland | Address: 2 College Green, Dublin 2 |
| Account Number: 64496623 | Sort Code: 90-00-17 |
| Account Name: IIB Private Banking Account | Reference: Client name/Bespoke Callable |

NB All transfers must include your name as a reference

Declaration

I/We hereby request and authorise you: (i) to open and administer an account for me/us with IIB Bank plc and (ii) to give effect until the end of the Term. I/We declare that (i) the details above are correct; (ii) I/we are over 18 and (iii) I/we understand and accept the Terms and Conditions set out in this brochure. I/We understand that (i) 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 24 November 2008; (ii) capital security is provided by the Bank, subject to the conditions of the investment; (iii) if I/we encash the investment before the Maturity Date, I/we may lose some or all of the money I/we put in;

| | |
|----------------------|-------|
| Primary Signature: | Date: |
| Secondary Signature: | Date: |