

Self Directed Investment Option

Fund Factsheet, May 2012

Fund Summary

The Self Directed Investment Option (SDIO) is a fund option available on the Friends First range of Conductor Pension, Buy-Out Bond and Approved Retirement Fund products which gives you greater control on how your pension fund is invested.

What can I invest in ?

Your SDIO gives you access to many different options not available through a standard managed pension. We have teamed up with Dolmen Stockbrokers to give you this greater level of control and choice. Outlined below are some of the more popular investments which you can avail of.

• Direct Equities

Shares listed on regulated global stock markets may be included in your SDIO. Either on your own, or in conjunction with a stockbroker, you can decide on what shares to include in your fund. You can decide to include just one or two shares you particularly like or build your own diversified portfolio.

• Bonds

These are instruments issued for a period of more than one year for the purpose of raising capital. They are issued by Governments and by Corporations. Buying Bonds directly through your SDIO gives you access to a wide range with terms, yields and risks appropriate to your own circumstances.

• Exchange Traded Funds

An ETF is an investment vehicle traded on stock exchanges, similar to shares, and is a great way of adding diversification to your portfolio. An ETF holds assets such as stocks or bonds with the aim of replicating the performance of a benchmark index. ETFs are available which track stock market indices like the S&P500, individual equity segments or even corporate bond benchmarks.

• Leveraged and Short ETFs & ETCs

A leveraged ETF or ETC aims to return a multiple of the daily return on the index tracked. A short ETF or ETC aims to produce the opposite of the daily return in the benchmark and can therefore produce positive returns in a falling market.

Sometimes when leverage or shorting is added to a portfolio your potential losses can be more than your initial investment. However, in using ETFs or ETCs your maximum loss would be limited to your initial investment.

• Quoted Funds

There are a huge number of investment funds quoted on international stock markets. The Irish Stockmarket alone quotes over 4,400 funds and sub-funds. Your SDIO gives you access to the world of investment managers.

• Structured products

From time to time Friends First may confirm that certain structured products may be held in your SDIO account. These would typically be deposit based 'tracker' investments. We regularly publish a list of admissible structured products and more information on these will be available from your broker.

• Bank Deposits

We have a panel of approved institutions where SDIO funds can be placed in fixed term deposit.

How do I set up the Self Directed Investment Option?

1. You set up your Conductor pension or ARF in the normal way. You can choose to invest directly into the SDIO or alternatively you can invest in any of the other funds and switch into SDIO at a later date.
2. Once you are ready to activate the SDIO you should contact Friends First and give us instructions as to how much of your pension fund you want transferred into your SDIO.
3. You must then also complete a Dolmens SDIO Account opening form which will be available from either Dolmen's directly or your broker. There are two types of SDIO account - an Execution Only account for and an Advisory Account. You should discuss with your broker which type of account is best suited to you and complete the appropriate account opening form.
4. If you are opening an Execution Only account you should also complete an Investment Instruction form to instruct Dolmen to invest in a specific product. If you are opening an Advisory Account a member of Dolmen Stockbroking team will then contact you directly, or through your financial adviser, to discuss your investment options.

Getting Information on my Portfolio

Information on the assets held in your SDIO will be available through Dolmen Stockbrokers directly. Dolmen Stockbrokers provide an online service where you can log in and view your stock-broking account. Information on your pension, or other funds you are invested in, would be available through either your financial adviser or Friends First.

More about Dolmen

Dolmen Stockbrokers, part of the Dolmen Securities Group, is one of Ireland's leading financial services and stockbroking groups. Dolmen Stockbrokers is the largest independent stockbroker in Ireland with offices in Dublin, Cork and Limerick. Dolmen's interests have grown through the acquisition in 1998 of Butler & Briscoe and of BCP Stockbrokers in 2003. They have over 90 years of experience in providing clients with the expertise required to identify and achieve financial goals. Their investment approach encompasses all aspects of financial needs, both immediate and future. Their emphasis is on providing a highly confidential and professional service which is totally client driven and focuses on delivering investment choices specifically tailored to meet clients needs.



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Looking forward to your future

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

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

Warning : Funds may be affected by changes in currency exchange rates.

Warning : If you invest in this product you may lose some or all of the money you invest.