



National Solidarity Bonds (4 Year) Specific Conditions

National Solidarity Bonds (Issue 6) – 4 Year Term – Total Return 2%

Issued pursuant to Section 54 of the Finance Act 1970 as amended.

The General Terms and Conditions applicable to certain State Savings Products which became effective on Sunday 5 June 2016 apply to National Solidarity Bonds (4 Year) and are incorporated herein by reference.

Application and Interpretation

Unless otherwise defined herein, capitalised terms used in these terms and conditions relating to National Solidarity Bonds (4 Year) (the “**National Solidarity Bonds (4 Years) Conditions**”) shall have the meanings ascribed to them in the General Terms and Conditions.

In the event of a conflict or ambiguity arising between the General Terms and Conditions and the National Solidarity Bonds (4 Years) Conditions, the National Solidarity Bonds (4 Years) Conditions shall prevail.

These National Solidarity Bonds (4 Years) Conditions apply to Issue 6 only and are effective as and from Sunday 5 June 2016.

In these National Solidarity Bonds (4 Years) Conditions:

“**Bonus**” shall have the meaning set out in condition 2 below.

“**Issue 6**” means the issue of National Solidarity Bonds (4 Years) issued on or after Sunday 5 June 2016 and available for purchase until such time as the Minister for Finance, acting through the NTMA, determines.

“**Maturity Date**” means the date that is the fourth anniversary of the Registration Date.

“**Term**” means the period commencing on the Registration Date and ending on the day before the Maturity Date.

1. Minimum and Maximum Holdings in Issue 6

1.1 The minimum permitted holding in Issue 6 at any time is €50.

1.2 Subject to condition 1.4, an individual may purchase National Solidarity Bonds (4 Years) in Issue 6 up to an aggregate value of €120,000, regardless of whether such individual holds the National Solidarity Bonds (4 Years) as a sole Holder or a Joint Holder.

1.3 There is no limit on National Solidarity Bonds (4 Years) in Issue 6 that are held as a result of:

- (a) transfers to you in accordance with condition 17 (Death of a Holder) of the General Terms and Conditions; and/or
- (b) investment by you of proceeds on the maturity of your other Products.

1.4 For the purposes of calculating any individual’s aggregate maximum holding in Issue 6, any National Solidarity Bonds (4 Years) held in accordance with condition 1.3 will be added to any National Solidarity Bonds (4 Years) in Issue 6 already purchased. If this calculation causes an individual to reach or exceed his or her limit, no further applications to purchase National Solidarity Bonds (4 Years) in Issue 6 may be made.

1.5 For the purposes of calculating a Joint Holder’s aggregate maximum holding in Issue 6, the Principal Amount of National Solidarity Bonds (4 Years) held jointly will be deemed to be owned in equal proportion by each Joint Holder and will be divided equally between each of the Joint Holders.

1.6 For the purposes of calculating any individual’s aggregate maximum holding in Issue 6, any National Solidarity Bonds (4 Years) held by a charity, unincorporated body or friendly society in which such individual has an involvement will not be taken into account and will only be included in calculating the maximum holding limit for that charity, unincorporated body or friendly society.

2. Payment of a Bonus

2.1 A bonus will be payable on National Solidarity Bonds (4 Years) (“**Bonus**”), in accordance with this condition, on the earlier of:

- (a) the Maturity Date, or
- (b) the date of Early Redemption.

2.2 Where held until the end of the Term, the total amount of the Bonus payable to you will be 2% of the Principal Amount as at the Maturity Date.

- 2.3 Where National Solidarity Bonds (4 years) are redeemed (in whole or in part) prior to the first anniversary of the Registration Date, the Bonus payable to you will be calculated at a rate of 0.05% per annum on the portion of the Principal Amount being redeemed for the number of days from (and including) the Registration Date to (but excluding) the date of Early Redemption.
- 2.4 Where National Solidarity Bonds (4 Years) are redeemed (in whole or in part) on or after any anniversary of the Registration Date, the Bonus payable to you will be the sum of:
- (i) the amount calculated by applying to the portion of the Principal Amount being redeemed, the Total Cumulative Bonus Percentage indicated in Table 1 below for the most recent anniversary of the Registration Date, and
 - (ii) an amount calculated at a rate of 0.05% per annum on the portion of the Principal Amount being redeemed for the number of days (if any) from (and including) the date of the most recent anniversary of the Registration Date to (but excluding) the date of Early Redemption.

Table 1

Anniversary of the Registration Date on or after which redemption occurs	1 st	2 nd	3 rd	4 th
Total cumulative bonus percentage	0.05%	0.55%	0.90%	2.00%
Example of return (principal and bonus) on €1,000 principal amount	€1,000.50	€1,005.50	€1,009	€1,020

EXAMPLE – If a National Solidarity Bond (4 Years) has a Principal Amount of €1,000, and is redeemed in whole after 2 years and 160 days, the Bonus payable is: €5.50 (applying the Total Cumulative Bonus Percentage of 0.55% due on the 2nd anniversary of the Registration Date); and €0.22 (applying the annual rate of 0.05% to the 160 days from the 2nd anniversary of the Registration Date to (but excluding) the date of Early Redemption), giving a total Bonus payable of €5.72 and a total return (Principal Amount and Bonus) of €1,005.72.

3. Notification of Maturity Date

- 3.1 At least 10 Business Days in advance of the Maturity Date we will contact you in writing:
- (a) to notify you of the Maturity Date and the total amount payable to you; and
 - (b) to request your instructions on the payment of such amount.
- 3.2 We will continue to hold the total amount payable to you until such instructions are received. You should note that no Bonus or other amount shall accrue in respect of National Solidarity Bonds (4 Years) in Issue 6 on or after the Maturity Date.

4. Taxation

- 4.1 The Bonus is not subject to Deposit Interest Retention Tax, and is exempt from Income Tax, Pay Related Social Insurance and the Universal Social Charge. National Solidarity Bonds (4 Years) in Issue 6 are exempt from Capital Gains Tax in Ireland.
- 4.2 You may have other tax liabilities depending on your specific circumstances. We would therefore recommend that you consult your Tax Adviser.