

1 September 2016

Strictly Private and Confidential
To be opened by addressee only

Website Letter

5th Floor
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Telephone + 353 1 470 0000
Telefax + 353 1 477 0000

Offer your clients the opportunity to achieve up to 40% income tax relief.

Dear Sir/Madam,

We are delighted to inform you that we have launched **The Davy EII Tax Relief Fund 2016** ("the Fund") in conjunction with Davy and BDO. We are Ireland's longest running and most experienced EII Scheme Manager.

FUND FACTS

- Opportunity for higher rate taxpayers to obtain all-income tax relief of up to 40%, subject to terms and conditions.
- Tax relief is granted in two tranches as follows:
 - i. Tranche 1 will enable investors to deduct 30/40ths (if they are a higher rate taxpayer) of the amount subscribed to the Fund from their total income for income tax purposes for either the tax year of subscription ending on 31 December 2016 or the tax year of investment by the Fund ending 31 December 2017; and
 - ii. Tranche 2 will enable investors to deduct 10/40ths (if they are a higher rate taxpayer) of the amount subscribed to the Fund from their total income for income tax purposes in the year of assessment following the end of the four year investment period subject to certain conditions being satisfied by the companies in which the Fund invests (as further detailed in the Prospectus).
- The Fund will invest in a portfolio of **established SMEs in a range of sectors** which will help reduce exposure to any one sector.
- The **minimum subscription** is €5,000 with subscriptions thereafter in multiples of €1,000 up to a **maximum** of €150,000.
- Closing date for receipt of the completed investor Application Form(s) together with a personal cheque/draft made payable to **First Names Trust Company Ireland Limited a/c The Davy EII Tax Relief Fund 2016** and AML documentation (as detailed in the Prospectus) is **31 December 2016** or earlier in the event of excess demand.
- Existing Davy clients have the option to debit the investment amount and once-off fee from their Davy personal client account by completing the Debit Instruction Form in Appendix IV of the Prospectus and submitting it with the completed investor Application Form and AML documentation.
- All of the above documentation must be returned to: BES Management Limited, Beaux Lane House, 5th Floor, Mercer Street Lower, Dublin 2.

COMMISSION

BES Management Limited will pay a **3% commission** to appropriately authorised Investment Product Intermediaries who hold a valid appointment in writing with BES Management Limited on the introduction of any investor funds to The Davy EII Tax Relief Fund 2016.

A once-off fee of 3% of the original investment amount is payable by the investor at the time of subscription, in addition to the investment amount. This fee does not qualify for income tax relief.

Please note that your firm **cannot** offer investment advice to your clients on, or receive and transmit to us a client investment application form for an investment in The Davy EII Tax Relief Fund 2016 unless your firm is appropriately authorised to advise on collective investment funds like The Davy EII Tax Relief Fund 2016, either as:

- an investment business firm under Section 10 or 26 of the Investment Intermediaries Act 1995; or
- a certified person who holds a valid certificate from an approved professional body; or
- a solicitor acting as an investment product intermediary under Section 2(7) of the Investment Intermediaries Act 1995,

and you/the firm hold a valid appointment in writing from BES Management Limited.

As your firm does not currently hold a valid appointment in writing from BES Management Limited, please find enclosed an Investment Product Intermediary Appointment Application to BES Management Limited. This appointment application form must be completed, signed and returned to BES Management Limited, 5th Floor, Beaux Lane House, Mercer Street Lower, Dublin 2 in order to be considered for such an appointment.

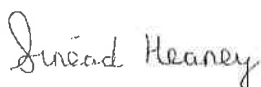
Prospective investors in The Davy EII Tax Relief Fund 2016 should determine the suitability of the investment based on an assessment of their own personal circumstances, attitude to and capacity for investment risk. The investment may be suitable for investors who:

- do not need access to their investment for the term of the Fund, which will be at least four years from the date the Fund makes its investments;
- will be able to avail of income tax relief at the higher rate on the full investment amount, within the relevant limits and restrictions;
- are aware they may lose some or all of their investment; and
- can afford to lose some or all of their investment.

A complete list of the risks of investing in the Fund is set out in the enclosed Prospectus which is also available to download from our website, www.bes.ie.

If you have any queries or require additional copies of the Prospectus, please contact BDO on 01-4700455/besinfo@bes.ie or Davy on 1890-85 85 85. Alternatively, you can visit our website www.bes.ie.

Yours sincerely,



Sinead Heaney
Director
BES Management Limited

WARNING:

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

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

If you invest in this product you will not have any access to your money for at least four years from the date the Fund makes its investments.

Other risks and terms and conditions apply.

BES Management Ltd. is regulated by the Central Bank of Ireland.

BES Management Ltd. is a joint venture company owned by Davy and BDO. J&E Davy, trading as Davy, is regulated by the Central Bank of Ireland. Davy is a member of the Irish Stock Exchange, the London Stock Exchange and Euronext. BDO is authorised to carry on investment business in the Republic of Ireland by the Institute of Chartered Accountants in Ireland.

THE DAVY EII TAX RELIEF FUND 2016

DAVY

BDO



OFFER YOUR CLIENTS THE OPPORTUNITY TO ACHIEVE UP TO 40%* INCOME TAX RELIEF

Established in 1995

Managed by BES Management Limited which is a joint venture company owned by Davy & BDO. BES Management Limited is regulated by the Central Bank of Ireland.

** An investment in this Fund offers Qualifying Investors paying income tax at the higher rate, income tax relief up to 40% in two tranches.*

www.bes.ie

OFFER YOUR CLIENTS THE OPPORTUNITY TO ACHIEVE UP TO 40% INCOME TAX RELIEF

The Davy EII Tax Relief Fund 2016 is one of the few remaining investments offering all-income tax relief of up to 40%* to Qualifying Investors.

Managed by BES Management Limited, Ireland's longest running EIS Fund Manager.

KEY CHARACTERISTICS OF BES MANAGEMENT LIMITED

- Successfully raised five EII Scheme Funds over the past five years;
- Previously raised 19 BES Funds over the past 21 years;
- Raised and invested over €154 million in over 154 Irish companies; and
- Funds are managed by a professional and experienced management team.

**An investment in this Fund offers Qualifying Investors paying income tax at the higher rate, income tax relief of up to 40% in two tranches.*

CONTACT US

For further information and before making any recommendation to a consumer to invest in this Fund, you should first obtain our Intermediary Product Information Pack (including the Prospectus and Investor Application Form) either online at www.bes.ie or from:



Davy House
49 Dawson Street
Dublin 2
E: intermediaryteam@davy.ie
T: 1890 85 85 85
W: www.davy.ie



Beaux Lane House
Mercer Street Lower
Dublin 2
E: besinfo@bes.ie
T: 01 470 0455
W: www.bdo.ie

DAVY EII TAX RELIEF FUND 2016 FACTS

Minimum investment:

€5,000

Maximum investment:

€150,000

Proposed exit date:

2021

Fund closing date:

31 December 2016

A once-off fundraising fee of 3% will be payable in addition to the investment amount. This fee does not qualify for income tax relief.



WARNING:

This document is addressed to intermediaries only and is therefore not addressed to or suitable for consumers considering making an investment in this Fund.

Such consumers should seek independent financial advice and obtain the Fund Prospectus from www.bes.ie before making a decision to invest in this Fund.

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This document does not constitute an offer or an invitation to consumers to subscribe to the Fund nor does it constitute investment advice as it does not consider the knowledge and experience, investment objectives or financial situation of any particular person. Applications for subscription may only be made on the basis of an Application Form. A comprehensive list of risks attached to this investment will be set out in the Prospectus for the Fund, which investors should obtain, read and fully understand prior to making a decision to invest.

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www.bes.ie

INVESTMENT PRODUCT INTERMEDIARY APPOINTMENT APPLICATION TO BES MANAGEMENT LTD. (FOR CERTIFIED PERSONS EG. ACCOUNTANTS, SOLICITORS ETC.)

Name of Firm

Date

Registered Address

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Correspondence Address (if different from the Registered Address)

.....

.....

Telephone Number

Fax Number

Email Address.....

Number of Years in Operation

Principal Activities/Services

.....

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.....

Trading as: (please tick one of the following)

Individual

Partnership

Limited Company

Unlimited Company

Unincorporated entity

Other

If other, please specify

.....

Company Registration Number (if any)

Names of Partners/Directors/Principals

.....

.....

.....

.....

How long have you been providing similar services?

.....

Please list the product producers with whom your firm holds a
current appointment in writing

.....

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CONTACT US



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W: www.davy.ie



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