

CANTOR FITZGERALD IRELAND PROTECTED STAR PERFORMERS BOND III

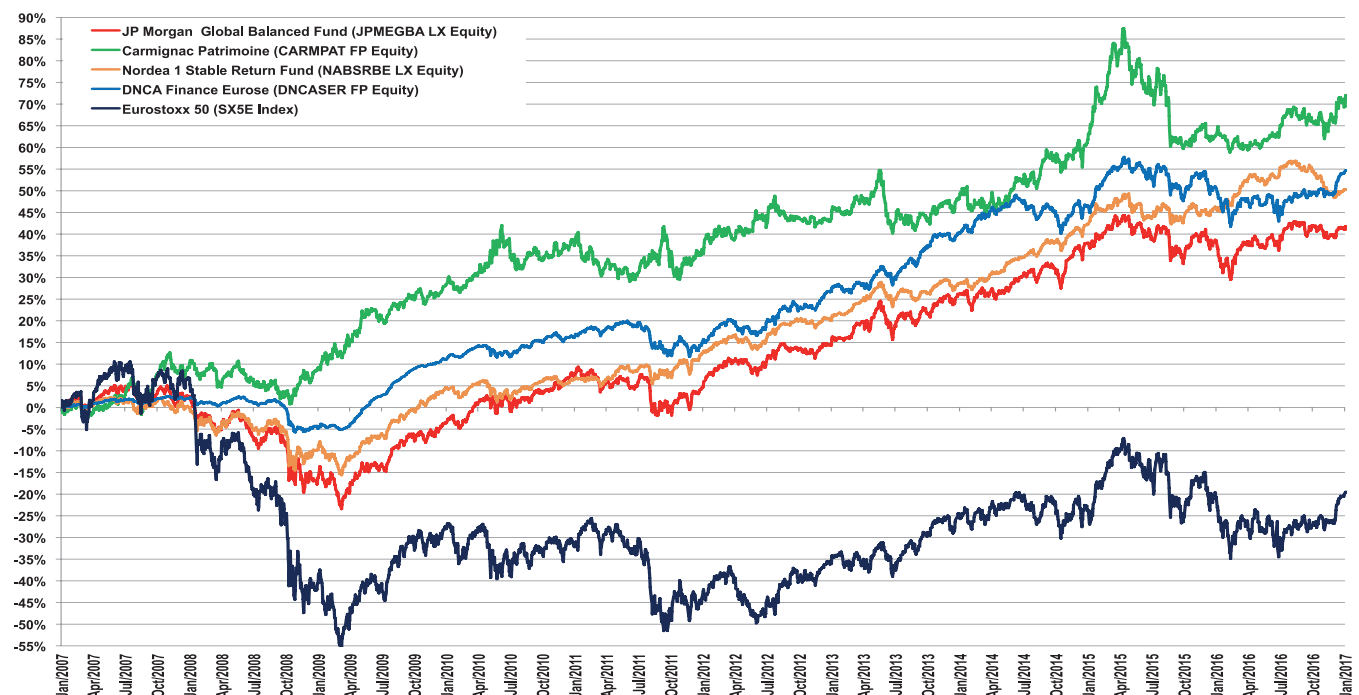
MARKETING COMMUNICATION



- ▶ Bond returns are linked to an Index of 4 leading investment funds specially selected by Morningstar;
 - JP Morgan Investment Funds – Global Balanced Fund.
 - Carmignac Patrimoine A Fund.
 - Nordea 1 SICAV - Stable Return Fund.
 - DNCA Finance Eurose.
- ▶ 170% Participation in the index returns.
- ▶ Excess return index risk control mechanism can also provide up to 150% exposure to the 4 funds.*
- ▶ 90% Capital protection at Final Maturity Date is provided by BNP Paribas S.A. (rated A/A1/A+).
- ▶ Returns are added to the 90% capital protected amount at maturity.
- ▶ Aims to achieve positive returns significantly ahead of deposit rates in all market conditions.
- ▶ 5-year investment with optional access to funds at market value after year 3 or at investor's request.
- ▶ **Guarantor:** BNP Paribas S.A. **Issuer:** BNP Paribas Arbitrage Issuance B.V.
- ▶ **Minimum investment amount:** €10,000, **Closing Date:** 9th March 2017.

* Excess Return Index is calculated net of the Euribor 3-month rate.

Investment Summary: The Cantor Fitzgerald Ireland Protected Star Performers Bond III (the "Bond" or "Investment") is a 5-year term Investment with 90% capital protection at the Final Maturity Date provided by BNP Paribas S.A. This Bond provides investment returns linked to the BNP Paribas MS - Allocation Fund Stars Index (BNPIAFST Index), which measures the performance of 4 leading investment funds which have been screened and selected by Morningstar. Each fund is equally weighted in the Index. The Index also has an innovative risk control mechanism which can automatically reduce exposure to the basket of 4 funds in times when their volatility is high and subsequently increase exposure to the basket of 4 funds when their volatility is low. This bond provides 170% exposure to the Index and the risk control mechanism can in turn provide further exposure of a maximum of 150%, thus the maximum potential exposure to the basket of funds is 255%.



Data Source: Bloomberg 5th January 2017.

Morningstar have selected these 4 Funds as each employs a tactical and very flexible asset allocation approach. These flexible funds seek positive performance in all market conditions by adopting a versatile management style. As per the chart above these fund returns can outperform markets, and also be relatively resilient even if the economic cycles are not, due to the high level of flexibility they have. With interest rates still at record lows (currently negative in the Eurozone) we see good potential upside for the 4 Funds in this bond. The Index constituent funds may change over time.

Other Key Features:

Investment Rationale: An extended period of low interest rates and global market uncertainties have led to a challenging environment, where traditional balanced funds have proven too static and not flexible enough. For this Index, Morningstar's (a highly prestigious and independent investment research and management firm) global analyst team have selected 4 leading investment funds with strong track records which have withstood the test of time and offer significant upside potential. Morningstar has selected these 4 funds as each employs a tactical and very flexible asset allocation approach. These flexible funds seek a positive performance in all market conditions by adopting a versatile management style.

Liquidity: This Bond offers investors the opportunity to encash their investment after the third anniversary of the Issue Date at its market value at that time, subject to normal market conditions (the 90% capital protection applies at the Final Maturity Date only). At the third anniversary it is intended to write to all investors outlining the indicative options available to them at that time. Subject to normal market conditions investors may choose to encash their investment in full or in part, or may leave the investment to continue. In addition BNP Paribas will endeavor to provide daily secondary market liquidity in normal market conditions throughout the 5-year investment term. In extremely volatile market conditions encashments may not be possible.

Final Maturity: At the Final Maturity Date after 5 years each investor will be repaid 90% of their initial capital invested plus the investment return, if any, and the product will terminate. There is no cap on the maximum return achievable. In order to further protect returns from volatility, investment returns will be averaged over the final 2 years of the investment term. The minimum maturity value after 5 years at the Final Maturity Date is 90% of investors' capital. If the index returns are below 5.88%, flat or negative investors could lose up to 10% of their capital invested. The 90% capital protection at the Final Maturity Date is provided by BNP Paribas S.A.

Risks: The Bond is categorised as a medium risk investment with a 5 year term, which may be redeemed early at prevailing market value in year 3 at the discretion of investors and subject to normal market conditions. It is categorised as medium risk because if held to maturity, an investor could be repaid 10% less than they invested. Risk factors include the non-performance of the Index or the financial failure of BNP Paribas S.A. The product is not suitable for all investors and is only suitable for a certain portion of the investment portfolio of typical investors. We draw your attention to the risk factors on page 17 and the "Key factors when considering if this Bond is right for you" on page 19 of the product brochure.

Advice: This product is being marketed on an advisory basis only. Prior to investing, it is important that you take advice from your Financial Advisor or from your Cantor Fitzgerald Ireland Ltd. portfolio manager / broker.

WARNING: If on the Final Valuation Date the Final Price Level of The Index is below its Initial Price Level you will lose 10% of your initial investment.

WARNING: The return of your capital protected amount at the Final Maturity Date, as well as the Investment Return, will be dependent on the solvency of BNP Paribas Arbitrage Issuance B.V. as Issuer and BNP Paribas S.A. as Guarantor, if either were to default you will lose some or all of your investment.

WARNING: Past performance is not a reliable guide to future performance. The value of investments may go down as well as up.

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