

ISSUE TERMS

Issue Terms dated 20 July 2017

STARTS (Ireland) Public Limited Company
Registered Office: 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland
(incorporated with limited liability in Ireland under registered number 391541)

Issue of Series 2017-10 EUR 25,000,000 Repack Securities

under the Issuer's U.S.\$50,000,000,000
Limited Recourse Secured Debt Issuance Programme

This Issue Terms comprises a pricing supplement for the purposes of the rules of the Irish Stock Exchange's Global Exchange Market and has been approved by the Irish Stock Exchange. This Issue Terms should be read in conjunction with the Information Memorandum dated 10 May 2017 (the "**Information Memorandum**") relating to the U.S.\$50,000,000,000 Limited Recourse Secured Debt Issuance Programme (the "**Programme**") of STARTS (Ireland) Public Limited Company (the "**Issuer**").

The Securities have the "**Terms**" as set out in these Issue Terms, which will complete and modify the Asset Repackaging Base Conditions Module, May 2017 Edition and the Asset Repackaging General Definitions Module, May 2017 Edition (together, the "**Conditions**"). All capitalised terms not otherwise defined in these Issue Terms shall have the meanings given to them in the Conditions.

- | | | |
|----|----------------------------|--|
| 1. | Description of Securities: | Series 2017-10 Repack Securities due 2030. |
| | (a) Issue Date: | 20 July 2017. |
| | (b) Issue Price: | 100 per cent. of the aggregate nominal amount. |

PROVISIONS RELATING TO THE PARTIES

- | | | |
|----|--------------------|----------------|
| 2. | (a) Dealer: | HSBC Bank plc. |
| | (b) Vendor: | HSBC Bank plc. |
| | (c) Selling Agent: | HSBC Bank plc. |
| | (d) Agent Bank: | HSBC Bank plc. |

PROVISIONS RELATING TO INTEREST

- | | | |
|----|--------------------------------------|---|
| 3. | Fixed Rate Securities Provisions: | Not Applicable. |
| 4. | Floating Rate Securities Provisions: | Applicable (the Securities are Floating Rate Securities). |
| | (a) Interest Rate Basis: | Floating Rate. |

(b)	Specified Interest Payment Dates:	The day falling two Business Days after each Floating Rate Payer Payment Date.
(c)	Interest Period End Dates:	Each Party A Period End Date.
(d)	Interest Period adjusts for Business Day Convention:	Not Applicable.
(e)	Business Day Convention:	Following Business Day Convention.
(f)	Additional Business Centre(s) and/or Additional Financial Centre(s):	None.
(g)	Manner in which Rate of Interest is to be determined:	The Interest Amount payable on each Specified Interest Payment Date shall be an amount in respect of each Security equal to such Security's pro rata share of the Party A Floating Amount received by the Issuer on the immediately preceding Party A Floating Rate Payer Payment Date.
(h)	Floating Day Count Fraction:	30/360.
(i)	Minimum Interest Rate:	Not Applicable.
(i)	Maximum Interest Rate:	Not Applicable.

PROVISIONS RELATING TO REDEMPTION

5.	Maturity Date:	The day falling two Business Days after the Final Exchange Date.
6.	Final Redemption Amount:	EUR 25,000,000.

PROVISIONS RELATING TO SECURITY

7.	Initial Charged Assets:	EUR 25,000,000 of in aggregate principal amount 1% index-linked government bonds due 30 November 2030 issued by the Kingdom of Spain (the " Underlying Obligor "). See Annex to these Issue Terms.
8.	Substitution of Initial Charged Assets at the direction of the Counterparty pursuant to Condition 4(b) (<i>Substitution at direction of Counterparty</i>):	Not Applicable.

9. (a) Security Ranking Basis: Counterparty Priority Basis.
- (b) Instructing Creditor: Counterparty, provided that if the Counterparty is the Defaulting Party (as defined in the Swap Agreement), the Instructing Creditor shall be the Securityholders.
10. Custodian's account details:
- (i) the EUR cash account maintained by the Issuer with the Custodian in the name of STARTS (Ireland) Series 2017-10, account number: as separately advised;
 - (ii) the securities account maintained by the Issuer with the Custodian, account number: as separately advised;
 - (iii) the Credit Support Annex collateral account maintained by the Issuer with the Custodian in the name of STARTS (Ireland) Series 2017-10 Credit Support Annex, account number: as separately advised; and
 - (iv) the EUR Credit Support Annex cash account which is maintained by the Issuer with the Custodian in the name of STARTS (Ireland) Series 2017-10 Credit Support Annex, account number: as separately advised.
11. Additional Charging Document: Not Applicable.

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

12. Closing Date: 20 July 2017.
13. Pre-Closing Date and Time: Not Applicable.
14. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D.
15. Currency of Issue: Euro ("EUR").
16. Specified Denomination: EUR 100,000.
17. Listing: Application has been made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Securities to be admitted to the Official List and trading on the Global Exchange Market.

18. ISIN and Common Code: XS1646503166 and 164650316, respectively.

ASSET SWAP TRANSACTION TERMS

19. General Terms:

- (a) Counterparty: HSBC Bank plc ("**Party A**").
- (b) Calculation Agent: HSBC Bank plc.
- (c) Trade Date: 28 June 2017.
- (d) Termination Date: The Final Exchange Date.
- (e) Effective Date: 20 July 2017.
- (f) Business Days (for the purposes of the Swap Agreement only): London and TARGET Settlement Day.
- (f) Termination Currency: EUR.

20. Party A Floating Amounts:

Applicable (the following terms shall apply in respect of Party A Floating Amounts only).

- (a) Floating Rate Payer Calculation Amount: EUR 25,000,000.
- (b) Floating Rate Payer Payment Dates: 30 November, 28 February, 31 May and 31 August in each year, commencing on 30 November 2017 to and including the Termination Date.
- (c) Floating Rate Payer Period End Dates: 30 November, 28 February, 31 May and 31 August of each year, commencing on 30 November 2017 to and including the Termination Date.
- (d) Period End Date Adjusts for Business Day Convention: Not Applicable.
- (e) Floating Rate Payer Calculation Period: The period from and including a Floating Rate Payer Period End Date to but excluding the next succeeding Floating Rate Payer Period End Date, with the exception that the first such period shall commence on and include the Effective Date.
- (f) Floating Amounts: In respect of each Floating Rate Payer Payment Date in the period from the Issue Date to 30 November 2022, an amount in EUR equal to the product of (i) the Floating Rate Payer Calculation Amount, (ii)

2.50% x N1 / D p.a. and (iii) the Party A Floating Rate Payer Day Count Fraction.

In respect of each Floating Rate Payer Payment Date in the period from 30 November 2022 to the Final Exchange Date, an amount in EUR equal to the product of (i) the Floating Rate Payer Calculation Amount, (ii) $(5.92 \times (\text{the Reference Spread, subject to a Minimum Reference Spread and a Maximum Reference Spread}_1)) \times N2 / D + (2.96 \times (\text{the Reference Spread, subject to a Minimum Reference Spread and a Maximum Reference Spread}_2)) \times N3 / D$ and (iii) the Floating Rate Payer Day Count Fraction.

“**N1**” means the number of calendar days in the Party A Floating Rate Payer Calculation Period where the Reference Rate fixes in the Range1;

“**Range1**” means [0%; 2.50%];

“**N2**” means the number of calendar days in the Party A Floating Rate Payer Calculation Period where the Reference Rate fixes in the Range2;

“**Range2**” means [0%; 3.30%];

“**N3**” means the number of calendar days in the Party A Floating Rate Payer Calculation Period where the Reference Rate fixes in the Range3;

“**Range3**” means [3.30%; 5.00%];

“**D**” means the total number of calendar days in each Party A Floating Rate Payer Calculation Period;

“**Minimum Reference Spread**” means 0%;

“**Maximum Reference Spread₁**” means 0.84459%;

“**Maximum Reference Spread₂**” means 1.68919%;

“**Reference Spread**” means, subject to the Disruption Provisions, EUR CMS 20y – EUR CMS 2y;

“**EUR CMS 20y**” means the rate for fixed float interest rate swaps in EUR for a period of 20 years which appears on Reuters Page ICESWAP2 as of 11 am Frankfurt time on the Reference Spread Determination Date;

“**EUR CMS 2y**” means the rate for fixed float interest rate swaps in EUR for a period of 2 years which appears on Reuters Page ICESWAP2 as of 11 am Frankfurt time on the Reference Spread Determination Date;

“**Reference Spread Determination Date**” means the fifth TARGET Settlement Day prior to the relevant Floating Rate Payer Period End Date and

“**Reference Rate**” means, subject to the Disruption Provisions, the rate for fixed float interest rate swaps in EUR for a period of 10 years which appears on Reuters Page ICESWAP2 as of 11am Frankfurt time on each calendar day. In case a calendar day is not a Business Day, the relevant rate is the rate displayed on the ICESWAP2 page at the Business Day immediately prior to such calendar day, provided that, in respect of each Floating Rate Payer Calculation Period, the relevant Reference Rate determined in respect of each of the calendar days during one week prior to the end of the relevant Floating Rate Payer Calculation Period shall be fixed on the fifth Business Day prior to the end of such Floating Rate Payer Calculation Period.

(g) Disruption Provisions:

If on a Business Day during a Floating Rate Payer Calculation Period, the rate required to determine a Reference Spread or Reference Rate is not published on the relevant fixing page for such rate used for the Reference Spread or Reference Rate or is otherwise not available, the Calculation Agent will determine such rate by reference to the “EUR-Annual Swap Rate-Reference Banks” as the applicable Floating Rate Option.

(h) Floating Rate Payer Business Days:

London and TARGET Settlement Day.

(i) Floating Rate Payer Business Day Convention:

Following Business Day Convention.

(j) Floating Rate Payer Day Count Fraction:

30/360.

21. Party A Fixed Amounts

Not Applicable.

22. Party B Floating Amounts:

Applicable (the following terms shall apply in

respect of Party B Floating Amounts only).

- | | | |
|-----|--|---|
| (a) | Floating Rate Payer Calculation Amount: | Party A Initial Exchange Amount. |
| (b) | Floating Rate Payer Payment Dates: | 30 November in each year, commencing on 30 November 2017 to and including the Termination Date. |
| (c) | Floating Rate Payer Period End Dates: | 30 November of each year, commencing on 30 November 2017 and ending on the Termination Date. |
| (d) | Initial Period Commencement Date: | 30 November 2016. |
| (e) | Period End Date Adjusts for Business Day Convention: | Not Applicable. |
| (f) | Floating Rate: | $[FinalIndex/InitialIndex] * 1\%$ where: |

“**FinalIndex**” means the Interpolated Index as determined for the last day of the relevant Party B Floating Rate Payer Period End Date; and

“**InitialIndex**” means the Interpolated Index as determined for 30 November 2014, being 100.33319.

For the initial calculation period “**FinalIndex**” means the Interpolated Index as determined for 30 November 2017.

Where:

“**Index**” means EUR – Excluding Tobacco- Non-revised Consumer Price Index.

“**Index Sponsor**” means EUROSTAT.

“**Information Source**” means Reuters Page OATEI01.

“**(ICMA) Interpolation**” is “Applicable” (Lag months: 3).

“**Interpolation**” means, in respect of any Floating Rate Payer Calculation Period in respect of which Interpolation is applicable, the following formula shall be used where the Index Sponsor has published no official interpolation formula to calculate the Interpolated Index (the “**Interpolated Index**”)

$$\text{Interpolated Index} = \text{Index (m)} + (N-1)/D * [\text{Index (m+1)} - \text{Index (m)}]$$

Where:

Index (m): Index of the third month preceding the month of the date for which the Interpolated Index is calculated.

Index (m+1): Index of month following month **m**

N: the day of the date for which the Interpolated Index is calculated.

D: number of calendar days in the month of the date for which the Interpolated Index is calculated.

(g) Floating Rate Payer Business Days:	TARGET Settlement Day.
(h) Floating Rate Payer Business Day Convention:	Following Business Day Convention.
(i) Floating Rate Payer Day Count Fraction:	Actual/Actual.
23. Party B Fixed Amounts:	Not Applicable.
24. Initial Exchange:	Applicable.
(a) Initial Exchange Date:	20 July 2017.
(b) Party A Initial Exchange Amount:	EUR 26,462,295.95
(c) Party B Initial Exchange Amount:	EUR 25,000,000
25. Final Exchange:	Applicable.
(a) Final Exchange Date:	30 November 2030 (or if such day is not a Business Day, the next following Business Day).
(b) Party A Final Exchange Amount:	EUR 25,000,000.

(c) Party B Final Exchange Amount: EUR 25,000,000 *
 $\text{MAX}[1; (\text{FinalIndex} / \text{InitialIndex})]$ where:

“**FinalIndex**” means the Interpolated Index as determined for 30 November 2030; and

“**InitialIndex**” means the Interpolated Index as determined for 30 November 2014: 100.33319.

SWAP AGREEMENT CREDIT SUPPORT TERMS

26. **Credit Support:** Applicable.

(a) Base Currency: EUR.

(b) Eligible Currency: EUR.

(c) Eligible Credit Support: The following item(s) shall also qualify as Eligible Credit Support:

Valuation Percentage			
Conventional inflation-linked securities issued by the Government of the Germany	or	yes	93%
Conventional inflation-linked securities issued by the Government of the France	or	yes	92%
Conventional securities issued by the Government of the Spain rated by any two of: (i) BBB- or higher by Standard & Poor's, (ii) Baa3 or higher by Moody's and (iii) BBB- or higher by Fitch Ratings:		yes	90%
Inflation-linked securities issued by the Government of Spain rated by any two		yes	85%

of: (i) BBB- or higher by Standard & Poor's, (ii) Baa3 or higher by Moody's and (iii) BBB- or higher by Fitch Ratings:

Conventional securities issued by the Government of Spain rated below any two of: (i) BBB- by Standard & Poor's, (ii) Baa3 or by Moody's, and (iii) BBB- by Fitch Ratings yes 85%

Inflation-linked securities issued by the Government of Spain rated below any two of: (i) BBB- by Standard & Poor's, (ii) Baa3 or by Moody's, and (iii) BBB- by Fitch Ratings yes 80%

- (d) Valuation Date(s): Wednesday of each week.
- (e) Minimum Transfer Amount: EUR 250,000.
- (f) Rounding Multiple: EUR 1.
- (g) Collateral Posting: Bilateral Posting.

27. Purpose of Issue Terms

These Issue Terms comprise the pricing supplement required for issue and admission to trading on the Irish Stock Exchange's Global Exchange Market of the Securities described herein pursuant to the Issuer's U.S.\$50,000,000,000 Limited Recourse Secured Debt Issuance Programme.

28. Responsibility

The Issuer accepts responsibility for the information contained in these Issue Terms. The "*Description of the Initial Charged Assets*" has been extracted from the relevant information as available on Bloomberg. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware,

and is able to ascertain from the information published by SPGBei, no facts have been omitted which would render the reproduced information inaccurate or misleading.

29. Expenses

The total expenses related to the admission of the Securities to trading is estimated to be EUR 600.

Signed on behalf of the Issuer:

By: 

Name: Roddy Stafford

Title: Director

ANNEX

DESCRIPTION OF THE INITIAL CHARGED ASSETS

Description of the Initial Charged Assets:

The Issuer confirms that the following information concerning the Initial Charged Assets and the issuer(s) of the Initial Charged Assets has been accurately reproduced from information published by the Underlying Obligor. So far as the Issuer is aware and is able to ascertain from information published by the Underlying Obligor, as of the Issue Date, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Nominal Amount:	EUR 25,000,000.
Underlying Obligor:	Kingdom of Spain.
Charged Assets Issue Date:	31 March 2015.
Aggregate Principal Amount:	EUR 6,816,805.
Form and Denomination:	Government bonds, EUR 1,000.
Charged Assets Maturity Date:	30 November 2030.
Charged Assets Interest Rate:	1.0 per cent. per annum.
Charged Assets Interest Payment Dates:	30 November in each year, commencing on 30 November 2015 and ending on the Charged Assets Maturity Date.
ISIN and Common Code:	ES00000127C8 and ES00000127C.
Governing Law:	Spanish law.
General Description and Nature of Business of the Underlying Obligor:	Sovereign issuer. The Kingdom of Spain is located in Southwestern Europe, bordering the Bay of Biscay, Mediterranean Sea, North Atlantic ocean and Pyrenees Mountains, southwest of France. The country's natural resources are coal, lignite, iron ore, uranium, mercury, pyrites, fluorspar, gypsum, zinc, lead, tungsten, copper, kaolin, potash, hydropower and arable land.
Regulated or Equivalent Market on which the Charged Assets are Listed:	XDPA, MOT.