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NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF THE ISSUER IN ANY JURISDICTION. THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION. THE ISSUER OF THE NOTES HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE INVESTMENT COMPANY ACT. THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

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ERISA Considerations: the Notes may not be acquired or held by any Benefit Plan Investor. See "*Purchase and Transfer Restrictions*" below.

You are reminded that any investment decision as to any purchase of Notes must be made solely on the basis of information contained in this prospectus. No representation, warranty or undertaking is made hereby or is to be implied by any person as to the completeness, accuracy or fairness of the information contained in this prospectus and none of the Issuer, The Governor and Company of the Bank of Ireland, Deutsche Trustee Company Limited, The Bank of New York Mellon, London Branch, The Bank of New York Mellon SA/NV, Dublin Branch, Deutsche Bank AG, London Branch, Credit Suisse Securities (Europe) Limited or any of their respective affiliates, officers, employees, or agents, accepts any liability or responsibility whatsoever in respect hereof.

This prospectus has been sent to you in electronic format. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer or The Governor and Company of the Bank of Ireland, nor any person who controls it nor any director, officer, employee nor agent of it or affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer, the Joint Placement Agents or the Principal Paying Agent.

Prohibition of Sales to EEA Retail Investors: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) from the date of application of Regulation (EU) No 1286/2014 (the "**PRIIPS Regulation**"), a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) from the date of application of the PRIIPS Regulation, a customer within the meaning of Directive 2002/92/EC (the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by the PRIIPS Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation. The Issuer and each Joint Placement Agent expressly disclaims any responsibility for offering or selling the Notes or otherwise making them available to any retail investor in the EEA.

GRATTAN SECURITIES DAC

(a designated activity company incorporated in Ireland with registered number 556811)

EUR 186,550,000 Credit-Linked Floating Rate Notes

Grattan Securities DAC (the "**Issuer**") will issue the EUR 186,550,000 Credit-Linked Floating Rate Notes (the "**Notes**") on the terms and conditions set forth in a note trust deed to be dated the Closing Date between the Issuer and Deutsche Trustee Company Limited (the "**Note Trust Deed**").

The Notes will be issued by the Issuer on a limited recourse basis. The Notes will not be rated by any rating agency.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States. The Issuer has not been registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") and the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws. The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act ("**Regulation S**") and the Notes may not at any time be offered or sold within the United States or to (a) U.S. Persons as defined in Regulation S or (b) any person that is not a "non-United States person" as that term is defined in Rule 4.7(a)(iv) promulgated by the Commodity futures Trading Commission under the Commodity Exchange Act of 1936 (as amended) ("**U.S. Persons**"). The Notes may not at any time be transferred or sold to or for the account of a U.S. Person. See "*Subscription and Sale*" and "*Purchase and Transfer Restrictions*".

Credit Suisse Securities (Europe) Limited
Deutsche Bank AG, London Branch

as Joint Arrangers and Joint Placement Agents

The date of this Prospectus is 29 December 2016

Capitalised terms used in this Prospectus are defined herein. Defined terms and the page references where such terms are defined in this Prospectus are set out in the Index of Defined Terms.

Prior to the Notes Termination Date, interest will accrue on the Notes on a periodic basis at the Interest Rate (as defined below) on the Adjusted Principal Balance of the Notes from and including the Closing Date, payable in arrear on each Note Payment Date, subject as provided in the Conditions.

If and for so long as the Adjusted Principal Balance of a Note is zero, interest shall not accrue on such Note. The Interest Amount for each period shall be equal to the Fixed Amount determined pursuant to the Credit Default Swap for that period plus the amount determined by applying the Interest Rate to the Adjusted Principal Balance of the Notes for that period.

The Interest Rate applicable prior to the Notes Termination Date in respect of the Notes will be determined by reference to the Euro Interbank Offered Rate ("**EURIBOR**") for deposits in Euro for a period equal to the Designated Maturity, subject to a minimum of zero.

The Issue Price of the Notes is 100 per cent.

The date on which payment in full of principal on the Notes is scheduled to commence is the Scheduled Redemption Date, being 29 December 2024 (or, if such day is not a Business Day, the following Business Day) save that the repayment of principal on the Notes on the Scheduled Redemption Date may be deferred to the extent of the Issuer's potential liability for unsettled claims pursuant to the terms of the Credit Default Swap.

To the extent not previously paid or reduced to zero, the Notes will be redeemed in full on the Final Maturity Date, being 29 December 2026 (or, if such day is not a Business Day, on the following Business Day).

However, repayment of principal on the Notes may commence prior to the Scheduled Redemption Date as a result of (a) the determination of a Protected Tranche Amortisation Amount under the Credit Default Swap or (b) the occurrence of an Early Redemption Date (including a Tax Redemption Date, a Swap Optional Early Termination Date, a Swap Acceleration Date or a Security Enforcement Date).

Concurrently with the issuance of the Notes, the Issuer will enter into the Credit Default Swap with The Governor and Company of the Bank of Ireland (the "**Swap Counterparty**" or "**BOI**") pursuant to which the Issuer will sell credit protection to the Swap Counterparty in respect of a portfolio, designated by the Swap Counterparty, of Reference Entities and related Reference Obligations. See "*Description of the Credit Default Swap*" and "*Reference Register*" below.

On each Note Payment Date immediately following a Cash Settlement Date upon which the Swap Counterparty is obliged to pay a Cash Settlement Reimbursement Amount to the Issuer, subject to the terms of the Conditions, the Adjusted Principal Balance of the Notes will be increased by the amount of the relevant Cash Settlement Reimbursement Amount on a *pro rata* and *pari passu* basis. On each Note Payment Date immediately following a Cash Settlement Date under the Credit Default Swap upon which the Issuer is obliged to pay a Cash Settlement Amount to the Swap Counterparty, subject to the terms of the Conditions, the Adjusted Principal Balance of the Notes will be reduced, without any commensurate payment to Noteholders, by the amount of the relevant Cash Settlement Amount, on a *pro rata* and *pari passu* basis until the Adjusted Principal Balance of each Note is reduced to zero. The Adjusted Principal Balance of the Notes will be adjusted automatically and interest shall not accrue on any Note if and for so long as the Adjusted Principal Balance of such Note is zero. Reductions to the Adjusted Principal Balance of the Notes may, in certain circumstances, be subsequently reinstated with interest. To the extent not previously paid or reduced, the Adjusted Principal Balance of, and accrued and unpaid interest on, the Notes will be due and payable on the Final Maturity Date.

An investment in the Notes is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result from such investment.

See the section titled "*Risk Factors*" in this Prospectus for a description of certain factors that should be considered by prospective investors in connection with an investment in the Notes.

This Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Directive 2003/71/EC (as amended and supplemented from time to time). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange plc (the "**Irish Stock Exchange**") or other regulated markets for the purposes of the Markets in Financial Instruments Directive 2004/39/EC ("**MiFID**") or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List (the "**Official List**") and trading on its regulated market. There can be no assurance that any such listing will be obtained, or if obtained, will be maintained.

References in this Prospectus to Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to trading on the regulated market of the Irish Stock Exchange and have been admitted to the Official List. The regulated market of the Irish Stock Exchange is a regulated market for the purposes of MiFID. This Prospectus constitutes a "**prospectus**" for the purposes of Article 5 of the Prospectus Directive 2003/71/EC in relation to the Issuer.

All references in this Prospectus to "**China**" mean the People's Republic of China and do not include the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), the Macau Special Administrative Region of the People's Republic of China or Taiwan. All references in this document to "**Ireland**" refer to the Republic of Ireland.

THE NOTES WILL BE SECURED, LIMITED RECOURSE OBLIGATIONS OF THE ISSUER. NOTWITHSTANDING ANY PROVISIONS OF THE SECURITY DOCUMENTS OR OF ANY TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL AND INTEREST TO BE MADE BY THE ISSUER UNDER THE NOTES AND ALL PAYMENTS TO BE MADE BY THE ISSUER TO THE SECURED PARTIES UNDER THE TRANSACTION DOCUMENTS WILL BE PAYABLE ONLY FROM THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER OR THE SECURITY TRUSTEE IN RESPECT OF THE CHARGED ASSETS AND IN ACCORDANCE WITH THE PRIORITY OF APPLICATION SPECIFIED IN CLAUSE 9 (*PRIORITY OF APPLICATION*) OF THE SECURITY TRUST DEED. THERE WILL BE NO OTHER ASSETS OF THE ISSUER AVAILABLE FOR ANY FURTHER PAYMENTS BY THE ISSUER. THE SECURITY TRUSTEE AND EACH OTHER SECURED PARTY WILL LOOK SOLELY TO SUCH SUMS, PROCEEDS AND THE RIGHTS OF THE ISSUER IN RESPECT OF THE CHARGED ASSETS IN ACCORDANCE WITH THE TERMS OF THE SECURITY DOCUMENTS FOR PAYMENTS TO BE MADE BY THE ISSUER. HAVING ENFORCED THE SECURITY AND DISTRIBUTED THE NET PROCEEDS THEREOF IN ACCORDANCE WITH THE TERMS OF THE SECURITY TRUST DEED, NONE OF THE SECURITY TRUSTEE OR ANY OTHER SECURED PARTY MAY TAKE ANY FURTHER STEPS AGAINST THE ISSUER TO RECOVER ANY UNPAID SUM OR UNDISCHARGED PAYMENT OBLIGATION AND THE ISSUER'S LIABILITY FOR ANY SUCH SUM SHALL BE EXTINGUISHED.

The Notes will be represented by one or more permanent Global Note Certificates, in fully registered form, without interest coupons attached ("**Global Note Certificates**"), which will be deposited with a common depositary (the "**Common Depositary**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme*, Luxembourg ("**Clearstream, Luxembourg**"). Beneficial interests in a Global Note Certificate may be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg or their Participants (as applicable) at any time. See "*Form of Notes*" and "*Book Entry Clearance Procedures*".

Except in the limited circumstances described herein, Notes in individual, certificated, fully registered form ("**Individual Note Certificates**") will not be issued in exchange for beneficial interests in any Global Note Certificate. See "*Form of Notes – Exchange for Individual Note Certificates*".

The Notes will not represent an interest in, or obligations of, and are not insured or guaranteed by, any governmental agency, the Cash Deposit Bank, the Issuer Account Bank, the Transaction Administrator, the Agents, Credit Suisse Securities (Europe) Limited and Deutsche Bank AG, London Branch as the Joint Arrangers (the "**Joint Arrangers**") and as the joint placement agents (the "**Joint Placement Agents**"), the Noteholders, the Note Trustee, the Security Trustee, the Swap Counterparty, the Custodian or any of their respective affiliates or any other entity other than the Issuer.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

The Issuer accepts responsibility for the information contained in this Prospectus. In relation to the information in the sections in this Prospectus headed "*BOI's Credit and Collection Process*", "*Servicing Principles*", "*Securitisation Operating and Service Model*" and "*The Governor and Company of the Bank of Ireland*" (together, the "**BOI Information**"), BOI also accepts responsibility.

To the best of the knowledge and belief of the Issuer, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. To the best of the knowledge and belief of BOI, the BOI Information is in accordance with the facts and does not omit anything likely to affect the import of such information. BOI accepts no responsibility with regard to the contents of this Prospectus other than the BOI Information.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Note Trustee, the Security Trustee, the Agents, the Custodian or the Transaction Administrator as to the accuracy or completeness of the information contained in this Prospectus or any other information supplied in connection with the Notes.

No dealer, salesman or other person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such other information or representations must not be relied upon as having been authorised by the Issuer, the Joint Placement Agents or the Swap Counterparty. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the securities offered hereby by anyone in any jurisdiction in which such offer or solicitation is not authorised or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. Neither the delivery of this Prospectus at any time, nor any sale made in connection herewith, shall, in any circumstances, create an implication that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of any time subsequent to such date.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Placement Agents to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for or in connection with, an offer to any person to whom it is unlawful to make such offer or a solicitation by anyone not authorised so to act. In particular, the Notes have not been and will not be registered under the Securities Act.

This Prospectus contains summaries believed to be accurate with respect to certain terms of certain documents and such summaries are qualified in their entirety by reference to such documents. The contents of this Prospectus are not to be construed as legal, business or tax advice.

Any individual intending to invest in any investment described in this document should consult his or her professional advisers and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.

The language of the prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

RISK RETENTION UNDER CRR, AIFMD AND SOLVENCY II

Prospective investors should be aware of Articles 404–410 ("**Articles 404–410**") of Regulation (EU) No. 575/2013 (as amended) ("**CRR**"). Articles 404–410 broadly restrict an EU regulated credit institution and its consolidated affiliates (each an "**Affected Investor**") from investing in asset-backed securities unless the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the Affected Investor that it will retain, on an ongoing basis, a net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or asset exposures as contemplated by Articles 404–410. Articles 404–410 also require an Affected Investor to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the securitisation position it has acquired, the underlying exposures and that procedures are established for such due diligence to be

conducted on an ongoing basis. Failure to comply with one or more of the requirements set out in Articles 404–410 may result in the imposition of a penal capital charge on any Notes acquired by a relevant investor.

Prospective investors should also be aware of Article 17 of Directive 2011/61/EU on Alternative Investment Fund Managers (the "**AIFMD**") and Chapter III, Section 5 of Regulation 231/2013 supplementing the AIFMD (the "**AIFM Regulation**"), the provisions of which introduced risk retention and due diligence requirements (which took effect from 22 July 2013 in general) in respect of alternative investment fund managers ("**AIFMs**") that are required to become authorised under the AIFMD. Similar risk retention and due diligence requirements apply to investors which are insurance or reinsurance undertakings pursuant to Article 135(2) of Solvency II and Articles 254-257 of Commission Delegated Regulation (EU) No. 2015/35 supplementing Solvency II (the "**Solvency II Regulation**"). While the requirements applicable to AIFMs under Chapter III, Section 5 of the AIFM Regulation and insurance and reinsurance undertakings under Articles 254-257 of the Solvency II Regulation are similar to those which apply under Articles 404-410, they are not identical and, in particular, additional due diligence obligations apply to AIFMs and insurance or reinsurance undertakings.

BOI undertakes that a member of the corporate group of The Governor and Company of the Bank of Ireland and its subsidiaries (as defined in Section 7 of the Irish Companies Act 2014) (the "**BOI Group**") will retain, at all times until the redemption of the notes, a material net economic interest which shall in any event be not less than 5 per cent of the nominal value from time to time of each Reference Obligation as contemplated by Article 405(1)(a) of the CRR, Article 51(1)(a) of the Level 2 AIFM Regulation and Article 254(2)(a) of the Solvency II Regulation. Such holding will be achieved by one or more members of the BOI Group holding the requisite amount of each Reference Obligation outside the Reference Portfolio and such amount shall not be subject to any credit risk mitigation or any short positions or any other hedge and shall not be sold (other than where there is a Full Disposal of the relevant Reference Obligation).

NOTICE TO U.S. PERSONS

The Notes have not been, and will not be, registered under the Securities Act, the securities laws of any State of the United States or the securities laws of any other jurisdiction. The Notes and any beneficial interests therein may not at any time be reoffered, resold, pledged, exchanged or otherwise transferred except to persons who are not U.S. Persons in an offshore transaction meeting the requirements of Regulation S.

REFERENCE TO WEBSITES

Unless the contents of any website address referred to in this Prospectus have been incorporated into this Prospectus by reference, such website does not form part of this Prospectus for the purposes of the approval of this Prospectus and the listing of the Notes.

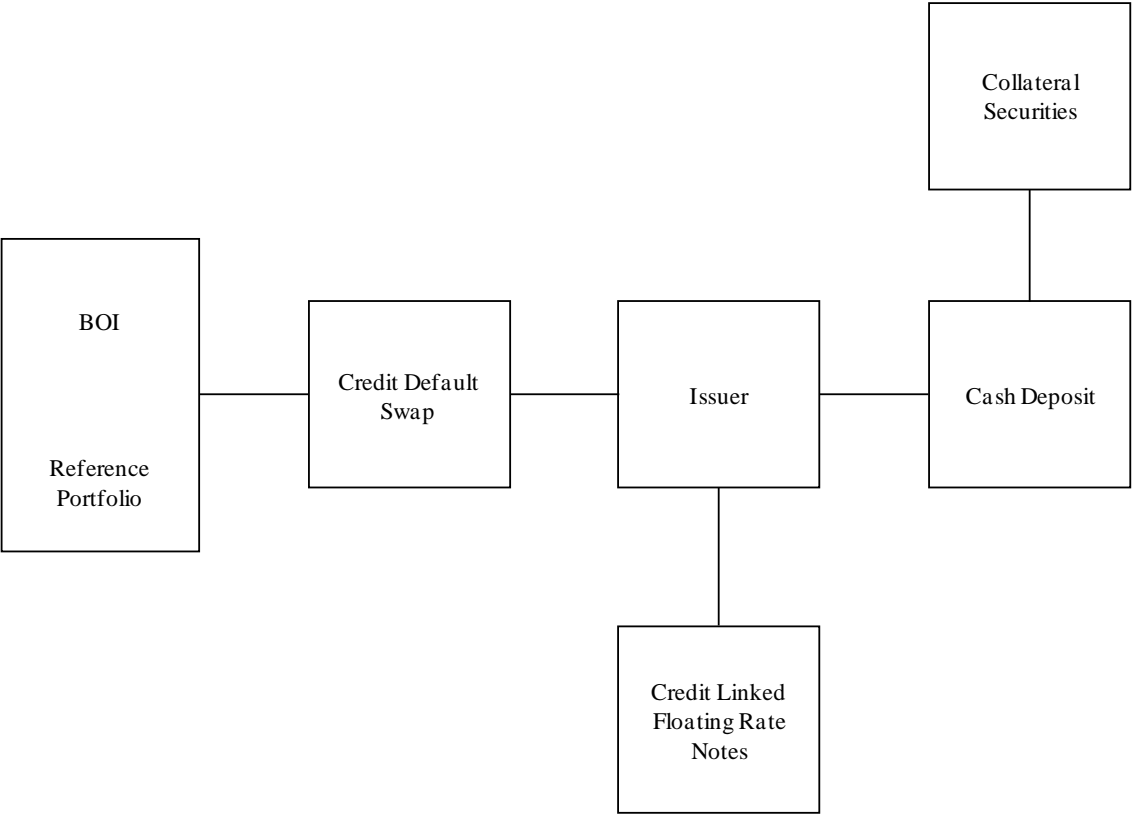
AVAILABLE INFORMATION

The Issuer has agreed, for so long as any of the Notes remain outstanding, to provide to the Note Trustee, among other things, access to proper books of account and records of the Issuer.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements which constitute forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act of 1934. All statements other than statements of historical facts included in this Prospectus, are forward-looking statements and reflect significant assumptions and subjective judgements by the Issuer that may or may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "will", "could", "believes", "expects", "anticipates", "continues", "intends", "plans", or similar terms. Prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. The Joint Placement Agents, the Note Trustee, the Security Trustee, the Agents, the Administrator and, save to the extent contained in the BOI Information, BOI have not attempted to verify any such statements, nor do they make any representations, express or implied, with respect thereto.

TRANSACTION DIAGRAM



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OVERVIEW OF TERMS

The following overview of terms does not purport to be complete and is taken from, and qualified in its entirety by, the more detailed information contained elsewhere in this Prospectus and certain of the documents referred to below, and, without limitation, the Conditions. Words or expressions used but not expressly defined in this overview of terms shall have the meanings given to them elsewhere in this Prospectus, including the Conditions. An index of defined terms is set out at the back of this Prospectus. This overview of terms is not a summary for the purposes of the Prospectus Directive 2003/71/EC.

Transaction Overview

On the Closing Date, the Issuer will, concurrently with the issuance of the Notes enter into the Credit Default Swap with the Swap Counterparty pursuant to which the Issuer will sell credit protection to the Swap Counterparty in respect of a portfolio, designated by the Swap Counterparty, of Reference Entities and related Reference Obligations. In return for periodic payments of Swap Premium, the Issuer will be liable to make, amongst other things, payments of Cash Settlement Amounts to the Swap Counterparty upon the occurrence of a Credit Event in relation to any of the Reference Entities and the fulfilment of certain other conditions.

On each Note Payment Date immediately following a Cash Settlement Date under the Credit Default Swap upon which the Issuer is obliged to pay a Cash Settlement Amount to the Swap Counterparty, subject to the terms of the Conditions, the Principal Balance of the Notes will be reduced, without any commensurate payment to Noteholders, by the amount of the relevant Cash Settlement Amount, on a *pro rata* and *pari passu* basis until the Adjusted Principal Balance of each Note is reduced to zero. The Adjusted Principal Balance of the Notes will be adjusted automatically and interest shall not accrue on any Note if and for so long as the Adjusted Principal Balance of such Note is zero. Reductions to the Adjusted Principal Balance of the Notes may, in certain circumstances, be subsequently reinstated with interest. To the extent not previously paid or reduced, the Adjusted Principal Balance of, and accrued and unpaid interest on, the Notes will be due and payable on the Final Maturity Date.

On the Closing Date, the proceeds of the issue of the Notes will be deposited by the Issuer into the Principal Collections Account. The Cash Deposit Bank will secure its obligations in respect of the Principal Collections Account by *inter alia* granting a first fixed charge to the Issuer over a portfolio of Eligible Collateral held in the Custody Account, as more particularly set out in the Cash Deposit Bank Security Agreement.

Collateral Principal Proceeds will be applied from time to time to pay, amongst other things, any Cash Settlement Amounts that may be payable by the Issuer under the Credit Default Swap and, to the extent not so applied, will be used to redeem the Notes as described below.

Swap Premium, Collateral Income Proceeds and Collateral Principal Proceeds will, from time to time, be applied, subject to the priority of payments and security provisions as described herein, to discharge the Issuer's payment obligations under the Notes, the Credit Default Swap and the other Transaction Documents.

Parties

<i>Issuer</i>	Grattan Securities DAC, a designated activity company incorporated with limited liability under the laws of Ireland (registered number 556811) whose registered office is at Pinnacle 2, Eastpoint Business Park, Dublin 3, Ireland.
<i>Joint Arrangers and Joint Placement Agents</i>	Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch
<i>Swap Counterparty</i>	The Governor and Company of the Bank of Ireland
<i>Note Trustee</i>	Deutsche Trustee Company Limited
<i>Security Trustee</i>	Deutsche Trustee Company Limited
<i>Transaction Administrator</i>	Deutsche Bank AG, London Branch
<i>Principal Paying Agent</i>	Deutsche Bank AG, London Branch
<i>Registrar</i>	Deutsche Bank Luxembourg S.A.
<i>Swap Calculation Agent</i>	The Governor and Company of the Bank of Ireland
<i>Notes Calculation Agent</i>	Deutsche Bank AG, London Branch
<i>Verification Agent</i>	Mazars
<i>Cash Deposit Bank</i>	The Governor and Company of the Bank of Ireland or such other entity having the Cash Deposit Bank Required Rating as may be selected by the Swap Counterparty in accordance with the terms of the Cash Deposit Agreement (provided that The Governor and Company of the Bank of Ireland shall not be required to have the Cash Deposit Bank Required Rating in order for it to remain the Cash Deposit Bank)
<i>Issuer Account Bank</i>	Deutsche Bank AG, London Branch
<i>Custodian</i>	The Bank of New York Mellon, London Branch
<i>Collateral Monitoring Agent</i>	The Bank of New York Mellon SA/NV, Dublin Branch
<i>Listing Agent</i>	Arthur Cox Listing Services Limited
<i>Corporate Services Provider</i>	Deutsche International Corporate Services (Ireland) Limited
<i>The Notes</i>	
<i>Initial Principal Balance</i>	<p>The Notes will have an Initial Principal Balance of EUR 186,550,000.</p> <p>The Notes will be issued on the terms and conditions set forth in, and have the benefit of, the Note Trust Deed and will be secured pursuant to the Security Trust Deed and the Principal Collections Account Charge.</p> <p>The Notes will be issued by the Issuer.</p>
<i>Closing Date</i>	The date falling on or about 29 December 2016.
<i>Scheduled Redemption Date</i>	29 December 2024 (subject to adjustment in accordance with the Following Business Day Convention).

<i>Final Maturity Date</i>	29 December 2026 (subject to adjustment in accordance with the Following Business Day Convention).
<i>Following Business Day Convention</i>	If such day would otherwise fall on a day that is not a Business Day, the following Business Day.
<i>Business Day</i>	Each TARGET Day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange currency deposits) in Dublin and London.
<i>Ratings</i>	The Notes will not be rated by any rating agency.
<i>Status</i>	The Notes will constitute secured, limited recourse obligations of the Issuer and each Note will at all times rank <i>pari passu</i> with each of the other Notes.
<i>Interest in respect of the Notes</i>	<p>Interest on each Note will accrue on a periodic basis at the relevant Interest Rate on the Adjusted Principal Balance of such Note from and including the Closing Date and will accrue provided that the Adjusted Principal Balance of such Note is in excess of zero.</p> <p>Interest payable on each Note in respect of a Note Interest Period will be calculated as such Note's pro rata share of an amount determined by the Notes Calculation Agent to be the sum of:</p> <ul style="list-style-type: none"> (a) the amount calculated by applying the relevant Interest Rate for such Note Interest Period to the Adjusted Principal Balance of the Notes as of the first day of such Note Interest Period (after giving effect to any adjustment to the Adjusted Principal Balance on such date) and multiplying the product by the actual number of days in such Note Interest Period divided by 360; and (b) the Fixed Amount in respect of the relevant Note Payment Date. <p>Such interest shall be payable in arrear, on each Note Payment Date subject as provided in Condition 8 (<i>Payments</i>).</p>
<i>Interest Rate</i>	<p>The Interest Rate applicable prior to the Notes Termination Date in respect of the Notes shall be EURIBOR per annum subject to a minimum of zero.</p> <p>EURIBOR will be determined by the Notes Calculation Agent for each Note Interest Period pursuant to the Conditions.</p>
<i>Note Payment Dates</i>	28 January, April, July and October of each year, from and including 28 April 2017 to and including the Final Maturity Date (in each case subject to the Following Business Day Convention).
<i>Adjusted Principal Balance</i>	<p>Amounts of principal payable in respect of the Notes will be determined by reference to the Adjusted Principal Balance of the Notes.</p> <p>The Adjusted Principal Balance of the Notes means, on any date, the greater of:</p> <ul style="list-style-type: none"> (a) an amount equal to <ul style="list-style-type: none"> (i) the Principal Balance of the Notes on such date;

minus

(ii) the aggregate amount of Cash Settlement Amounts (if any) that have been applied to reduce the Adjusted Principal Balance on or prior to such date; *plus*

(iii) the aggregate amount of Cash Settlement Reimbursement Amounts (if any) that have been applied to increase the Adjusted Principal Balance on or prior to such date; and

(b) zero,

as determined by the Issuer (or the Transaction Administrator on its behalf).

Reductions of Adjusted Principal Balance

On each Note Payment Date immediately following a Cash Settlement Date upon which the Issuer is obliged to pay a Cash Settlement Amount to the Swap Counterparty, subject to the terms of the Conditions, the Adjusted Principal Balance of the Notes will be reduced, without any commensurate payment to Noteholders, by the amount of the relevant Cash Settlement Amount on a *pro rata* and *pari passu* basis until the Adjusted Principal Balance of each Note is reduced to zero. The Adjusted Principal Balance of the Notes will be adjusted automatically and interest shall not accrue on any Note if and for so long as the Adjusted Principal Balance of such Note is zero.

Principal Reinstatement

On each Note Payment Date immediately following a Cash Settlement Date upon which a Cash Settlement Reimbursement Amount is paid by the Swap Counterparty to the Issuer under the Credit Default Swap, the Adjusted Principal Balance of the Notes will be increased, without any corresponding payment to the Noteholders at such time, by an amount equal to such Cash Settlement Reimbursement Amount as applicable, in order to reinstate any amounts previously applied in reduction of the Adjusted Principal Balance of the Notes such that the Adjusted Principal Balance of the Notes following such re-instatement reflects the then current aggregate losses and potential losses under the Reference Portfolio. Such reinstatement shall be allocated to each Note until the Adjusted Principal Balance of such Note is equal to its Initial Principal Balance *less* any Redemption Amounts previously paid in respect of such Note (the amount so allocated to the Notes being the "**Reinstatement Amount**"). The Notes Calculation Agent shall, as soon as reasonably practicable thereafter, notify in writing the Issuer, the Principal Paying Agent, the Transaction Administrator and the Note Trustee of the Adjusted Principal Balance following such reinstatement.

Timing of Redemption

The date on which payment in full of principal on the Notes is scheduled to commence is the Scheduled Redemption Date, being 29 December 2024 (or, if such day is not a Business Day, on the following Business Day).

However, payment of principal on the Notes may commence prior to the Scheduled Redemption Date as a result of (a) the determination of a Protected Tranche Amortisation Amount under the Credit Default Swap or (b) the occurrence of an Early Redemption Date (including a Tax Redemption Date, a Swap Optional Early Termination Date, a Swap Acceleration Date or a

Security Enforcement Date).

To the extent not previously paid or reduced, the Notes will be redeemed in full on the Final Maturity Date.

Amortised Redemption

If at any time after the Replenishment Period and on any Amortisation Date the Protected Tranche Notional Amount under the Credit Default Swap has been reduced by a Protected Tranche Amortisation Amount pursuant to the terms of the Credit Default Swap, the Issuer shall, on the immediately following Note Payment Date, subject to any prior ranking claims in accordance with the applicable Order of Priority, apply the Principal Collections in an amount equal to the Protected Tranche Amortisation Amount determined in respect of such Amortisation Date and, to the extent of interest due, Interest Collections available for distribution on that date towards redemption of the Notes until the Adjusted Principal Balance of each Note is zero.

Redemption on and after Notes Termination Date

On the Notes Termination Date and on each Redemption Date thereafter, the Issuer shall, subject to any prior ranking claims in accordance with the applicable Order of Priority, allocate and apply the Principal Collections in an amount equal to the amounts of principal payable by the Issuer towards redemption of the Notes for that date together with Interest Collections available for distribution on that date towards redemption of the Notes (together with any accrued but unpaid interest thereon) until the Adjusted Principal Balance of each Note is zero.

Redemption upon Tax Redemption Event

Following the occurrence of a Tax Redemption Event, the Issuer may, subject to certain conditions, designate any Note Payment Date as the Tax Redemption Date on giving not less than 30 calendar days' and not more than 45 calendar days' irrevocable notice to the Noteholders. See "*Terms and Conditions of the Notes — Condition 6.5 (Optional Redemption of the Notes in Whole for Tax Reasons)*".

Redemption upon Swap Optional Early Termination Date

If any of the following occurs:

- (a) an Optional Call Event; or
- (b) a Regulatory Change; or
- (c) the Reference Portfolio Notional Amount has been reduced to or below ten per cent. of the Initial Reference Portfolio Notional Amount,

provided that the Scheduled Redemption Date has not already occurred, the Swap Counterparty will have the right under the Credit Default Swap to designate a Swap Optional Early Termination Date on giving not less than 30 Business Days' prior written notice to the Issuer. See "*Terms and Conditions of the Notes — Condition 6.4 (Mandatory Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date)*".

Optional Call Event

An Optional Call Event will occur if the Swap Calculation Agent determines with respect to any Observation Date (as such term is defined in the Credit Default Swap) on or after the Observation Date falling in December 2019 that the IRR Condition (as such term is defined in the Credit Default Swap) would be satisfied on such

date. See "*Description of the Credit Default Swap*".

Regulatory Change

A Regulatory Change will occur if, on or after the Effective Date and in the sole opinion of the Swap Counterparty (as certified in writing to the Issuer by two senior officers of the Swap Counterparty), there is:

- (a) an enactment of, supplement to, amendment to or change of any,
 - (I) applicable law, policy or regulation; or
 - (II) guidelines or instructions of any relevant international or Irish body or other regulator in any applicable jurisdiction (including any relevant international or Irish banking regulator, central banks or other authority responsible for bank regulations, including without limitation, the Central Bank of Ireland or the European Central Bank (or any successors thereto)),
- (together, the "**Bank Regulations**") applicable to the Swap Counterparty and/or any member of the BOI Group;
- (b) an official communication of previously not existing or not publicly available official interpretation of such Bank Regulations; or
- (c) a change in the official interpretation, implementation or application of such Bank Regulations,

which becomes effective after the Effective Date and results in, or would result in, an adverse and material change in the regulatory capital treatment of the Credit Default Swap for the Swap Counterparty pursuant to applicable capital adequacy requirements or regulations as compared with the capital treatment anticipated by the Swap Counterparty on the Effective Date. See "*Description of the Credit Default Swap*".

Events of Default

The Events of Default are set out in Condition 10 (*Note Events of Default and Acceleration*) and include, without limitation, (a) unremedied defaults by the Issuer relating to the payment of principal or interest on the Notes or relating to the performance of its other obligations under or in respect of the Notes for a continuous period, and (b) insolvency of the Issuer. Subject to the terms of the Note Trust Deed, and subject to being indemnified and/or secured and/or prefunded to its satisfaction, the Note Trustee may, at its discretion, or shall, if so directed by the holders of at least 25 per cent. of the Adjusted Principal Balance of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, deliver a Note Enforcement Notice to the Issuer, the Security Trustee, the Principal Paying Agent, the Cash Deposit Bank, the Issuer Account Bank and the Transaction Administrator, declaring the Notes to be immediately due and payable and the Security shall become enforceable on the Security Enforcement Date. Subject to the terms of the Security Trust Deed, on and after the Security Enforcement Date, the Security Trustee or any Receiver, may at its discretion and without notice, institute or take such proceedings, steps or other action against the Issuer as it thinks fit to enforce its rights under the Security Trust Deed or the other Transaction Documents in respect of the Notes or the Security, but

it shall not be bound to take any such action unless (a) it has been so requested in writing by the Instructing Party; or (b) it has received a Note Enforcement Notice, and, in any case, it has been indemnified and/or secured and/or prefunded to its satisfaction.

Taxation of Payments on the Notes

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by any applicable jurisdiction or any political subdivision thereof or by any authority thereof or therein having power to tax, unless such withholding or deduction is required by any applicable law or pursuant to any agreement between the Issuer and any applicable jurisdiction or any political subdivision thereof or by any authority thereof having the power to tax. In that event, the Issuer shall make such payments after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor any Paying Agent will be obliged to pay any additional amounts to the Noteholders in respect of such withholding or deduction.

However, in that event, **provided that** the Issuer has been specifically provided with funds by the Swap Counterparty (at the option of the Swap Counterparty) for such purpose, the Issuer will pay such additional amounts ("**Additional Amounts**") as will result in the receipt by the Noteholders of such amounts as would have been received by them if no such withholding or deduction had become required, except that no Additional Amounts will be payable in respect of any Notes in the circumstances set out in Condition 9(a)(i)-(iii) (*Taxation*).

In the event that the Issuer is required or would, if provided with funds, be required to pay any Additional Amounts to Noteholders, and the Swap Counterparty has elected to terminate the Credit Default Swap or has failed to pay any additional amount which it has elected to pay under the Credit Default Swap or has elected not to provide funds to the Issuer in respect of any Tax incurred by it or for any Additional Amount which the Issuer would, if it were so funded, be obliged to pay to Noteholders under Condition 9 (*Taxation*), the Notes may be redeemed in accordance with Condition 6.5 (*Optional Redemption of the Notes in whole for Tax Reasons*).

United Kingdom Taxation

See "*Taxation of Noteholders – United Kingdom Taxation*".

Irish Taxation

See "*Taxation of Noteholders – Irish Taxation*".

Conditions

References to the Conditions (or any Condition) are to the terms and conditions of the Notes in the form scheduled to the Note Trust Deed, as those terms and conditions may be modified from time to time in accordance with the terms of the Note Trust Deed. See "*Terms and Conditions of the Notes*".

Credit Default Swap

On the Closing Date, the Issuer will enter into the Credit Default Swap with BOI as Swap Counterparty pursuant to which the Issuer will provide credit protection in respect of a number of Reference Entities and the related Reference Obligations. The Credit Default Swap will be documented under the Swap Agreement. The principal terms of the Credit Default Swap will be as set out below.

Swap Premium	As the buyer of credit protection, the Swap Counterparty will make periodic payments of the Fixed Amounts to the Issuer.
The Reference Portfolio and Reference Entities	<p>The Swap Counterparty designated, with respect to the Portfolio Cut-Off Date, the Reference Portfolio which shall be the subject of the Credit Default Swap. The Reference Portfolio will, at any time, consist of a pool of Reference Entities and the related Reference Obligations at that time, which may or may not have been originated or acquired by the Swap Counterparty.</p> <p>The Reference Entities and the related Reference Obligations will be specified in the Reference Register and will each be identified by means of a unique alpha-numeric identifier in the Reference Register.</p>
Portfolio Cut-Off Date	30 November 2016
Reference Obligations	Reference Obligations may be certain senior claims, including partial claims in respect of principal, interest, and fees (if any) arising from loans (including syndicated loans) and revolving credit facilities to corporate (including financial institutions and certain other entities) and small to medium enterprises (including partnerships and sole traders) including any contingent claims in respect of obligations that are guaranteed by a guarantor, as described more fully in the " <i>Description of the Credit Default Swap - Reference Portfolio - Reference Obligations</i> ". Reference Obligations may have a term which can be shorter than, coterminous with, or longer than, the Final Maturity Date.
Reference Obligation Notional Amount	The Swap Counterparty has designated a Reference Obligation Notional Amount in respect of each Reference Obligation in the Reference Register. The Reference Obligation Notional Amount of a Reference Obligation may be reduced as a result of a Reduction or Removal or increased as a result of Replenishment, in the manner described below.
Reference Register	The Swap Counterparty will be required to maintain a registry specifying certain detailed information in respect of each Reference Obligation and Reference Entity. The Reference Register which will be available for inspection by Noteholders as described in " <i>General Information – Inspection of Documents and Availability of Information</i> " below. See " <i>Reference Register</i> " below for a description of the contents of the Reference Register.
Servicing	The administration, collection and enforcement of each Reference Obligation, including the enforcement of any security granted in respect thereof, shall be carried out by BOI or such other person as may service such Reference Obligation from time to time to a standard consistent with the Servicing Principles. See " <i>Reference Portfolio – Servicing</i> " under " <i>Description of the Credit Default Swap</i> " and " <i>BOI's Credit and Collection Process</i> ".
Replenishments	<p>On any date during the Replenishment Period (but no more frequently than once in each calendar month period) the Swap Counterparty may, subject to certain conditions, adjust the Reference Portfolio, by:</p> <ul style="list-style-type: none"> (a) adding Reference Obligations relating to existing Reference Entities; (b) adding new Reference Entities and adding related

Reference Obligations to the Reference Portfolio; or

- (c) increasing the Reference Obligation Notional Amount of any Reference Obligation then comprising part of the Reference Portfolio,

or any combination of the foregoing, provided that the sum of the Reference Obligation Notional Amounts for all Reference Entities in the Reference Portfolio on such date would, after all such Replenishments on such date, be less than or equal to the Maximum Reference Portfolio Notional Amount.

"Replenishment Period" means the period from and including the Closing Date to but excluding the earliest of:

- (a) The third anniversary of the Effective Date; and
- (b) the Initial Termination Date.

See *"Description of the Credit Default Swap - Reference Portfolio - Replenishments"* for a description of the additional conditions (including satisfaction of the Eligibility Criteria and Conditions to Replenishment) that must be satisfied for the purposes of Replenishments.

Reductions

The Swap Counterparty may, at any time and from time to time, elect to reduce the Reference Obligation Notional Amount of any Reference Obligation (a **"Reduction"**) as a result of the occurrence of any one of the events specified in the Credit Default Swap. See *"Description of the Credit Default Swap – the Reference Portfolio – Reductions"* for a summary of the applicable events. Any such Reduction will be effective from the date specified by the Swap Counterparty. Each Reduction shall be without prejudice to the ability of the Reference Obligation Notional Amount for that Reference Obligation to be subsequently increased pursuant to a Replenishment. If the Reference Obligation Notional Amount of a Reference Obligation is reduced to zero it shall be removed from the Reference Portfolio, but without prejudice to the ability of such Reference Obligation to be subsequently included in the Reference Portfolio to the extent that it is the subject of a Replenishment.

Removals

The Swap Counterparty may, at any time and from time to time, elect to remove, and in certain circumstances shall be required to remove, any Reference Obligation from the Reference Portfolio (a **"Removal"**) as a result of the occurrence of any one of the events specified in the Credit Default Swap. See *"Description of the Credit Default Swap - Reference Portfolio – Removals"* for a summary of the applicable events. Any Removal will be effective from the date specified by the Swap Counterparty.

For the avoidance of doubt, if a repayment in full occurs in respect of a Reference Obligation where there is a possibility of further amounts being redrawn, the Swap Counterparty may, in its sole and absolute discretion, elect not to reduce the Reference Obligation Notional Amount of such Reference Obligation, and the relevant Reference Obligation shall remain in the Reference Portfolio.

Credit Protection Term

The Issuer will provide credit protection only with respect to Credit Events which occur on or before the Scheduled Termination Date in accordance with the Credit Default Swap. See *"Credit Protection Claims – Conditions to Settlement"* under *"Description of the Credit*

Default Swap".

Notice Delivery Period

The Notice Delivery Period means the period from and including the Closing Date to and including the date falling 21 calendar days after the earlier of:

- (a) the Scheduled Termination Date; and
- (b) the Swap Optional Early Termination Date.

See "*Description of the Credit Default Swap – Settlement Terms – Conditions to Settlement*".

Credit Events

Subject to the occurrence of one or more Credit Events and certain other conditions, the Issuer may become liable to make payments of Cash Settlement Amounts to the Swap Counterparty. A Credit Event means, with respect to a Reference Entity, Bankruptcy, Failure to Pay or Restructuring. See "*Description of the Credit Default Swap - Credit Events*".

Following the occurrence of a Credit Event with respect to a Reference Entity, the Swap Counterparty may elect to make a credit protection claim in respect of that Reference Entity.

Conditions to Settlement

No Cash Settlement Amount will be payable by the Issuer as a result of the occurrence of a Credit Event unless the Conditions to Settlement have been satisfied. The Conditions to Settlement are satisfied if a Credit Event Notice and a notice from the Verification Agent verifying certain matters set out in the Credit Default Swap have been delivered within certain defined time periods. See "*Description of the Credit Default Swap – Settlement Terms – Conditions to Settlement*".

Loss Determination

Following the occurrence of a Credit Event in respect of a Reference Entity, if the Swap Counterparty elects to make a credit protection claim then, subject to the satisfaction of certain Conditions to Settlement, the Swap Calculation Agent will determine an Initial Loss Amount and, subsequently, a Final Loss Amount in respect of the Reference Obligation(s) of the relevant Reference Entity. The Final Loss Amount will be determined by reference to recoveries upon a work-out or sale of the Reference Obligation(s) of the relevant Reference Entity or, in the event that the Swap Calculation Agent has not determined prior to the date falling 60 Business Days prior to the Final Termination Date that the Relevant Lender is not expected to make any further recoveries in respect of the relevant Credit Event of the relevant Reference Entity, by reference to the amount the Swap Calculation Agent determines would ultimately constitute the recoveries upon the completion of the work-out in respect of such Credit Events based on estimates provided by the Relevant Lender to the Swap Calculation Agent. Where the Credit Event is a Restructuring Credit Event, the Initial Loss Amount and Final Loss Amount shall be determined by reference to the amount of the value adjustment or other similar debit to the profit and loss account of the Relevant Lender in respect of the write-down or postponement of principal, interest or fees relating to the Restructured Reference Obligations. See "*Description of the Credit Default Swap - Settlement Terms – Calculation of Loss Amounts*".

Calculation Verification

Upon determination of a Final Loss Amount in respect of a Reference Obligation, the Swap Counterparty is required to procure

the delivery to the Issuer, Transaction Administrator, Notes Calculation Agent and the Note Trustee of a Verification Report verifying the computation by the Swap Calculation Agent of the Final Loss Amount in respect of such Reference Obligation. With respect to any Reference Obligation, the amount so verified is the Final Loss Amount and the date on which such Final Loss Amount is verified is the Verification Date. If the Verification Report verifying the computation by the Swap Calculation Agent of the Final Loss Amount in respect of such Credit Event is not delivered to the Issuer on or prior to the second Business Day prior to the Final Termination Date, the Final Loss Amount in respect of such Reference Obligation shall be zero.

Cash Settlement Amount

Following the satisfaction of the Conditions to Settlement and the completion of the loss determination and verification procedures described above, the Swap Calculation Agent will ascertain the Cash Settlement Amount payable by the Issuer to the Swap Counterparty or the Cash Settlement Reimbursement Amount payable by the Swap Counterparty to the Issuer, as applicable and notify the Transaction Administrator thereof.

The Cash Settlement Amount will be determined as follows:

- (a) if the Cumulative Loss Amount (as defined in the Credit Default Swap) in respect of the relevant Observation Date minus the Cumulative Loss Amount in respect of the immediately preceding Observation Date (the "**Periodic Loss Amount**") is less than or equal to zero, the Cash Settlement Amount will be zero;
- (b) otherwise, the Cash Settlement Amount will be an amount equal to the lesser of (subject to a minimum of zero):
 - (i) the Periodic Loss Amount minus (I) the Periodic Synthetic Excess Spread Amount in respect of such Observation Date and (II) the Remaining Threshold Amount as of the immediately preceding Observation Date (after adjustment); and
 - (ii) the Protected Tranche Notional Amount as of the immediately preceding Observation Date (after adjustment).

The Cash Settlement Reimbursement Amount will be determined as follows:

- (a) if the Periodic Loss Amount is greater than or equal to zero, the Cash Settlement Reimbursement Amount will be zero;
- (b) otherwise, the Cash Settlement Reimbursement Amount will be an amount equal to the absolute value of the Periodic Loss Amount minus the Senior Tranche Reimbursement Amount in respect of the relevant Observation Date,

provided that the sum of all Cash Settlement Reimbursement Amounts determined in respect of such Observation Date and all previous Observation Dates shall not exceed the sum of all Cash Settlement Amounts in respect of such Observation Date and all previous Observation Dates.

The above is more fully described in "*Description of the Credit Default Swap - Settlement Terms – Calculation of Cash Settlement Amount and Cash Settlement Reimbursement Amount*".

- Periodic Synthetic Excess Spread Amount**
- (a) In respect of each Observation Period immediately following a Periodic Synthetic Excess Spread Reset Date, an amount equal to the product of:
 - (i) the sum of the Remaining Threshold Amount, the Protected Tranche Notional Amount and the Senior Tranche Notional Amount on the first day of such Observation Period; and
 - (ii) as applicable, either:
 - (A) in respect of the first Observation Period, the product of (x) 0.6 per cent. and (y) the Synthetic Excess Spread Day Count Fraction; or
 - (B) otherwise, 0.3 per cent.; and
 - (b) in respect of any other Observation Period, an amount equal to the greater of:
 - (i) zero; and
 - (ii) the Periodic Synthetic Excess Spread Amount calculated in respect of the Observation Period immediately following the immediately preceding Periodic Synthetic Excess Spread Reset Date minus the greater of:
 - (A) zero; and
 - (B) the Periodic Loss Amount in respect of the immediately preceding Observation Date.

Credit Default Swap Termination Date The Credit Default Swap will terminate at the earliest of the Scheduled Termination Date, the date on which the Protected Tranche Notional Amount is reduced to zero and cannot subsequently become greater than zero, an Early Termination Date, the Swap Optional Early Termination Date and the Swap Tax Event. See "*Description of the Credit Default Swap - Termination of the Credit Default Swap*".

Collateral

Note Proceeds On the Closing Date, the proceeds of the Notes will be deposited by the Issuer into the Principal Collections Account. Pursuant to the Cash Deposit Agreement, the Cash Deposit Bank shall pay interest on the cash deposit (the "**Cash Deposit**") at a rate of interest agreed from time to time between the Issuer, the Cash Deposit Bank and the Swap Counterparty, and shall pay to the Issuer from and to the extent of the credit balance of the Principal Collections Account such amount as may be required by the Issuer from time to time to pay Cash Settlement Amounts to the Swap Counterparty or principal in redemption of the Notes.

Cash Deposit Bank Security

The Cash Deposit Bank will secure its obligations in respect of the Principal Collections Account by granting a first fixed charge (the "**Cash Deposit Bank Security**") to the Issuer over: (1) a portfolio of Eligible Securities and cash in EUR (together, the "**Eligible Collateral**") held by the Cash Deposit Bank in the Custody Account having an aggregate Market Value which is not less than the Cash Deposit Bank Security Minimum Amount, as more particularly set out in the Cash Deposit Bank Security Agreement and (2) its rights under and in respect of the Custody Agreement. The Cash Deposit Bank Security shall also cover any income or principal proceeds of the Collateral Securities and cash collateral in the Custody Account.

The "**Cash Deposit Bank Security Minimum Amount**" is, on any day, an amount equal to the product of 105 per cent. and the balance of the Principal Collections Account on such day (after settlement of any withdrawals or deposits on such date).

The Cash Deposit Bank will appoint a collateral monitoring agent (the "**Collateral Monitoring Agent**") to (i) monitor whether the Collateral Securities and cash, on the date on which they are deposited in the Custody Account and on each Valuation Day, are Eligible Collateral and (ii) calculate on each Valuation Day whether the Eligible Collateral in the Custody Account has a Market Value which is not less than the Cash Deposit Bank Security Minimum Amount.

The Cash Deposit Bank Security will become enforceable if (i) the Cash Deposit Bank fails to make any payment or repayment in respect of the Principal Collections Account when due, (ii) otherwise defaults in any of its obligations under the Cash Deposit Agreement (other than a failure to pay under paragraph (i)) and such default remains unremedied on the expiry of the fifth Business Day following receipt by the Cash Deposit Bank from the Issuer (or the Transaction Administrator on its behalf) of notice in writing of such default, or (iii) the Cash Deposit Bank becomes insolvent.

On any Valuation Day on which the Cash Deposit Bank is notified by the Collateral Monitoring Agent that the Collateral Securities Shortfall Amount is greater than zero, the Cash Deposit Bank will instruct the deposit of additional Eligible Collateral into the Custody Account having an aggregate Market Value which is not less than such Collateral Securities Shortfall Amount in accordance with the provisions of the Collateral Monitoring Agreement and the Cash Deposit Agreement.

"**Collateral Securities Shortfall Amount**" means, on any date, an amount (subject to a minimum of zero) equal to (a) the Cash Deposit Bank Security Minimum Amount on that date minus (b) the Market Value of all Eligible Collateral held in the Custody Account at that time.

"**Cash Deposit Bank Downgrade Event**" means the Cash Deposit Bank ceases to have the Cash Deposit Bank Required Rating.

"**Custodian Downgrade Event**" means the Custodian ceases to have the Custodian Required Rating.

"**Market Value**" means, on any day:

- (a) in respect of Eligible Collateral which is:

- (i) EUR currency, the face value thereof; and
 - (ii) securities, the market value as specified as the Bloomberg Generic (BGN ticker) for such Eligible Collateral, including the amount, if any, specified in respect of accrued interest on such securities (which, for the avoidance of doubt, shall be the dirty mid-price of the securities); and
- (b) in respect of Ineligible Collateral, zero,

in each case, as determined by the Collateral Monitoring Agent, and subject to recalculation following a dispute, pursuant to the Collateral Monitoring Agreement.

Withdrawals from Custody Account

Prior to the redemption of the Notes in full, any withdrawal or release of any Collateral Securities or cash held in the Custody Account will require the consent of the Issuer (or the Transaction Administrator on its behalf). However, the Cash Deposit Bank undertakes not to deliver any such instructions unless, and the Transaction Administrator will only be required to grant such consent if the Cash Deposit Bank confirms in writing that, based on information provided to the Cash Deposit Bank by the Collateral Monitoring Agent and/or the Custodian, as applicable, one or more of the following circumstances apply:

- (i) on any Business Day, to permit the Cash Deposit Bank to withdraw any cash held in the Custody Account which comprises Custody Income Proceeds;
- (ii) on any Business Day on or after any Note Payment Date, to permit the Cash Deposit Bank to withdraw cash or Collateral Securities up to the Market Value of the excess of the aggregate Market Value of the Eligible Collateral in the Custody Account above the Cash Deposit Bank Security Minimum Amount on that Note Payment Date;
- (iii) on any Business Day, following the deposit of Eligible Collateral to replace any Ineligible Collateral held in the Custody Account, to permit the Cash Deposit Bank to withdraw such Ineligible Collateral as has been replaced;
- (iv) on any Business Day prior to a Cash Deposit Bank Security Enforcement Event, to permit the Cash Deposit Bank to apply the proceeds of any redemption of Collateral Securities to purchase additional Eligible Collateral, which shall be deposited into the Custody Account. Any such application of the redemption proceeds shall be required to settle directly from and to the Custody Account on a "delivery versus payment" basis or such other basis agreed to in accordance with the terms thereof; and
- (v) following the occurrence of a Collateral Default Event, to permit the Cash Deposit Bank to sell or take such action in respect of any Collateral Securities in accordance with the Cash Deposit Bank Security Agreement, provided that the proceeds of such sale or other action are paid into the Custody Account; and
- (vi) on any Business Day, to permit the Cash Deposit Bank to transfer Eligible Collateral (the "**Substitute Collateral**") to

the Custody Accounts in substitution for certain other Eligible Collateral (the "**Original Collateral**"), provided that such Substitute Collateral has a Market Value, as of such date, equal to or greater than the Market Value of the Original Collateral on the later to occur of:

- (a) the immediately preceding Note Payment Date; and
- (b) the date such Eligible Collateral was transferred to the Custody Account.

A "**Collateral Default Event**" means the occurrence of any Credit Event (as defined in the 2003 ISDA Credit Derivatives Definitions, and not, for the avoidance of doubt, as defined in the Credit Default Swap) in respect of any of the Collateral Securities.

Eligible Securities

Eligible Securities are any debt securities which can be held by the Custodian directly or through Clearstream Banking S.A. and/or Euroclear Bank SA/NV (or any successors thereof) and which:

- (i) are issued by, or irrevocably and unconditionally guaranteed by, an issuer or guarantor, as applicable, which is not domiciled in the Republic of Ireland;
- (ii) are assets referred to in Article 10 of Commission Delegated Regulation (EU) 2015/61;
- (iii) are issued by, or irrevocably and unconditionally guaranteed by, an issuer or guarantor, as applicable, with any one or more of the following long-term issuer credit ratings: BBB- or higher by S&P, BBB- or higher by Fitch, BBB (low) or higher by DBRS, or Baa3 or higher by Moody's; and
- (iv) are denominated in Euro.

The process of selecting Eligible Securities is described in more detail in the Cash Deposit Bank Security Agreement.

Ineligible Collateral

On any Business Day on which the Cash Deposit Bank is notified by the Collateral Monitoring Agent that any of the Collateral Securities or cash at that time held in the Custody Account were not Eligible Collateral on the date such Collateral Securities or cash were deposited into the Custody Account and/or on or after a Valuation Day, the Cash Deposit Bank shall instruct the deposit of additional Eligible Collateral into the Custody Account having an aggregate Market Value which is not less than the Market Value of the Ineligible Collateral.

Collateral Securities

The Collateral Securities will be comprised of all securities from time to time recorded in and represented by the credit balance of the securities held in the Custody Account.

Security over the Cash Deposit Bank's rights in relation to the Custody Account and as against the Custodian will be granted by the Cash Deposit Bank to the Issuer on terms set out in the Cash Deposit Bank Security Agreement.

Pursuant to the terms of the Custody Agreement, the Custodian will hold the Collateral Securities in a segregated custody securities account and the cash collateral in a designated custody cash

account, in each case in the name of the Cash Deposit Bank. The Custodian will identify the Collateral Securities in its books and records as being beneficially owned by the Cash Deposit Bank.

Custody Income Proceeds

The Custody Income Proceeds are:

- (i) in respect of any Collateral Securities in the Custody Accounts, any income or distributions paid by the issuer of such Collateral Securities; and
- (ii) in respect of cash collateral, any interest paid or deducted by the Custodian on any cash balance in the Custody Accounts.

Cash Administration

Accounts

All payments of (a) Swap Premium and Collateral Income Proceeds will, upon receipt, be deposited into the Interest Collections Account and (b) the proceeds of the Notes will, upon receipt, be deposited into the Principal Collections Account.

The Interest Collections Account shall be established and maintained in the name of the Issuer at the Issuer Account Bank, and the Principal Collections Account shall be established and maintained in the name of the Issuer at the Cash Deposit Bank.

Collateral Principal Proceeds

The proceeds of the Notes will, on the Closing Date, be deposited into the Principal Collections Account. The Collateral Principal Proceeds shall be on any date the proceeds of such account.

Collateral Income Proceeds

Interest earned on the Principal Collections Account and the Interest Collections Account will be paid to the Issuer from time to time and constitutes Collateral Income Proceeds.

Security

Security Documents

The Security Documents will be comprised of the Security Trust Deed, the Principal Collections Account Charge and any other security document purporting to create security entered into from time to time by the Issuer in favour of the Security Trustee for the benefit of the Secured Parties.

Secured Parties

As at the Closing Date, the Secured Parties will be the Cash Deposit Bank, the Issuer Account Bank, the Transaction Administrator, the Agents, the Custodian, the Collateral Monitoring Agent, the Corporate Services Provider, the Noteholders, the Note Trustee, the Security Trustee, the Swap Counterparty and any Receiver.

Charged Assets

Under the Security Trust Deed, the Issuer will grant to the Security Trustee, among other things, an assignment by way of first fixed security of its rights, if any, in and to the credit balance from time to time of each Account, the security interests granted to it pursuant to the Cash Deposit Bank Security Agreement and an assignment of its rights, if any, in respect of the Transaction Documents.

Under the Principal Collections Account Charge, the Issuer will grant to the Security Trustee, among other things, a charge by way of first fixed security over all sums of money from time to time standing to the credit of the Principal Collections Account.

After the Security Enforcement Date, the proceeds of realisation of the Charged Assets will be allocated and applied by the Security

Trustee in the Enforcement Order of Priority in accordance with Clause 9.2 (*Application following Security Enforcement Date*) of the Security Trust Deed. See "*Security and Cash Administration - Enforcement Order of Priority*".

Limited Recourse

The Notes will constitute secured, limited recourse obligations of the Issuer. Notwithstanding any provisions of the Security Documents or of any Transaction Document, all payments of principal and interest to be made by the Issuer under the Notes and all payments to be made by the Issuer to the Secured Parties under the Transaction Documents will be payable only from the sums paid to, or net proceeds recovered by or on behalf of, the Issuer or the Security Trustee in respect of the Charged Assets and in accordance with the priority of application specified in Clause 9 (*Priority of Application*) of the Security Trust Deed. There will be no other assets of the Issuer available for any further payments by the Issuer. The Security Trustee and each other Secured Party will look solely to such sums, proceeds and the rights of the Issuer in respect of the Charged Assets in accordance with the terms of the Security Documents for payments to be made by the Issuer. Having enforced the Security and distributed the net proceeds thereof in accordance with the terms of the Security Trust Deed, none of the Security Trustee or any other Secured Party may take any further steps against the Issuer to recover any unpaid sum or undischarged payment obligation, and the Issuer's liability for any such sum shall be extinguished.

Transaction Documents

As at the Closing Date, the Transaction Documents will be the Cash Deposit Agreement, the Issuer Account Bank Agreement, the Administration and Cash Management Agreement, the Cash Deposit Bank Security Agreement, the Custody Agreement, the Collateral Monitoring Agreement, the Agency Agreement, the Corporate Services Agreement, the Credit Default Swap, the Notes, the Note Trust Deed, the Security Documents, the Subscription Agreement and the Fee Letter.

Particulars of the dates of, parties to and general nature of each Transaction Document are set out in various sections of this Prospectus.

Use of Proceeds

On the Closing Date, the proceeds of the offering of the Notes will be deposited by the Issuer into the Principal Collections Account. Collateral Principal Proceeds will be used to pay, among other things, Cash Settlement Amounts which the Issuer may become obliged to pay from time to time pursuant to the Credit Default Swap. See "*Security and Cash Administration — Application of Funds*".

The Swap Counterparty has agreed, under a separate fee letter between the Issuer and the Swap Counterparty (the "**Fee Letter**"), to pay all reasonable and properly incurred, documented and vouched for costs, charges, liabilities and expenses (including without limitation, any negative interest amounts charged on the Interest Collections Account, corporate administration expenses, directors' fees, statutory auditor expenses, legal fees and any publication, advertising, communication, courier, postage, legal and other out-of-pocket expenses) (plus any applicable value added tax) necessary for the maintenance of the Issuer's corporate existence, to include, on the Closing Date, all fees incurred by the Issuer in connection with the issuance of the Notes (including the aggregate expenses related to the admission of the Notes to trading, which are

estimated to be EUR 7,000) (the “**Issuer Expenses**”). The Issuer Expenses also include certain enforcement costs and withholding tax deductions relating to the Issuer’s cash deposit at the Cash Deposit Bank. The Issuer Expenses do not include any tax liabilities of the Issuer, any liabilities in respect of indemnities, or any liabilities under the Notes or (save for certain fees and expenses) the Transaction Documents.

The Issuer shall not use the proceeds of the offering of the Notes for the purposes of funding any person, activity, business or transaction (whichever is applicable pursuant to the nature and scope of the relevant sanctions regime), that is, at the date of such funding, subject to any sanctions administered or enforced by the U.S. Government (including without limitation, OFAC or the U.S. Department of State), or any enabling legislation or executive order relating thereto or any equivalent sanctions or measures imposed by the European Union, the United Kingdom or the United Nations, including sanctions imposed against certain states, organisations and individuals under the European Union’s Common Foreign and Security Policy.

Form and Denomination of Notes

The Notes will be in registered form. The Notes will initially be represented by a Global Note Certificate in fully registrable form without interest coupons or principal receipts attached, each of which is expected to be deposited with the Common Depositary on or about the Closing Date. Individual Note Certificates, evidencing holdings of Notes, will only be available in certain limited circumstances. The Notes will be offered in minimum denominations of EUR 200,000 (and integral multiples of EUR 10,000 in excess thereof). See “*Form of Notes*”.

Registration

The Notes have not been and will not be registered under the Securities Act. The Notes are being offered outside the United States in accordance with Regulation S and may not at any time be offered or sold within the United States or to U.S. Persons. The Notes may not at any time be transferred or sold to or for the account of a U.S. Person. See “*Subscription and Sale*”.

Governing Law

The Cash Deposit Agreement, the Issuer Account Bank Agreement, the Administration and Cash Management Agreement, the Agency Agreement, the Custody Agreement, the Subscription Agreement, the Cash Deposit Bank Security Agreement, the Collateral Monitoring Agreement, the Credit Default Swap, the Notes, the Note Trust Deed, the Security Trust Deed and any non-contractual obligations arising out of or in connection with them will be governed by, and will be construed in accordance with, English law and the parties have submitted to the exclusive jurisdiction of the English courts for all purposes in connection with such documents.

The Issuer will appoint Law Debenture Corporate Services Limited in England to accept service of process on its behalf in connection with such documents.

The Corporate Services Agreement and the Principal Collections Account Charge will be governed by the laws of Ireland.

Listing

This Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Directive 2003/71/EC. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive 2003/71/EC. Such approval relates only to the

Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market.

There can be no assurance that any such listing will be obtained or, if obtained, will be maintained.

RISK FACTORS

An investment in the Notes involves certain risks. Prospective investors should carefully consider the following investment considerations, in addition to the matters set forth elsewhere in this Prospectus, prior to investing in the Notes.

General Risk Factors

Investor Considerations

The Notes are complex securities and prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Notes and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition.

Suitability

The Notes are not a suitable investment for all investors. Each investor should ensure that they understand the individual legal, tax, accounting, regulatory and financial implications of an investment in the Notes for such investor.

No investor may rely on the Cash Deposit Bank, Issuer Account Bank, the Transaction Administrator, the Agents, the Swap Calculation Agent, the Corporate Services Provider, the Verification Agent, the Issuer, the Joint Arrangers, the Joint Placement Agents, the Note Trustee, the Security Trustee, the Custodian, the Collateral Monitoring Agent or the Swap Counterparty (together, the "**Transaction Participants**") in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to in this risk factors section of this Prospectus. Neither the Issuer nor any of the other Transaction Participants is acting as an investment adviser to, or assumes any fiduciary obligation for, any investor in the Notes. No Transaction Participant assumes any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any Reference Entity or any other Transaction Participant.

Synthetic Credit Risk

The repayment of principal and, due to the potential reduction in the principal amount, payment of interest on the Notes is conditional upon the performance of the Reference Entities and Reference Obligations as described herein.

Due to the credit-linked nature of the Notes, investors have a credit exposure to the Reference Entities and the Reference Obligations thereof via the Credit Default Swap. Defaults, valuations and actual or potential losses in respect of the Reference Obligations referenced under the Credit Default Swap may affect the extent of losses suffered by Noteholders.

Credit exposure via credit derivative transactions (as in the case of credit-linked notes or synthetic collateralised debt obligations) may involve risks that are additional to those which would occur if investors had a direct holding of the Reference Obligations of such Reference Entities. The terms of the Credit Default Swap include, in particular, credit events defined therein and a loss calculation methodology which may result in a different (and potentially greater) risk of loss and (if the measure of loss cannot initially be measured by reference to ultimate recoveries) a different (and potentially greater) measure of loss as compared to the risk of actual default and ultimate recovery applicable to an actual holding in the relevant Reference Obligations.

A Cash Settlement Amount may become due and payable if Credit Events occur with respect to Reference Entities (or one or more obligations thereof). Following the occurrence of a Credit Event in respect of a Reference Entity, if the Swap Counterparty elects to make a credit protection claim then, subject to the satisfaction of certain Conditions to Settlement, the Swap Calculation Agent will determine an Initial Loss Amount and, subsequently, a Final Loss Amount in respect of the Reference Obligation(s) of the relevant Reference Entity. To the extent that the Periodic Loss Amount in respect of a Cash Settlement Date is greater than zero, the Issuer shall pay a Cash Settlement Amount to the Swap Counterparty equal to the lesser of (subject to a minimum of zero) (a) the Periodic Loss Amount minus the sum of (i) the Periodic Synthetic Excess Spread Amount in respect of that Cash Settlement Date and

(ii) the Remaining Threshold Amount as of the immediately preceding Observation Date (after adjustment) and (b) the Protected Tranche Notional Amount as of the immediately preceding Observation Date (after adjustment). To the extent that the Periodic Loss Amount is less than zero the Swap Counterparty shall pay a Cash Settlement Reimbursement Amount to the Issuer equal to the absolute value of the Periodic Loss Amount, provided that the sum of all Cash Settlement Reimbursement Amounts determined on or prior to such date shall not exceed the sum of all Cash Settlement Amounts determined on or prior to such date.

On each Note Payment Date immediately following a Cash Settlement Date upon which the Swap Counterparty is obliged to pay a Cash Settlement Reimbursement Amount to the Issuer, subject to the terms of the Conditions, the Adjusted Principal Balance of the Notes will be increased by the amount of the relevant Cash Settlement Reimbursement Amount on a *pro rata* and *pari passu* basis. On each Note Payment Date immediately following a Cash Settlement Date upon which the Issuer is obliged to pay a Cash Settlement Amount to the Swap Counterparty, subject to the terms of the Conditions, the Adjusted Principal Balance of the Notes will be reduced without any commensurate payment to Noteholders, by the amount of the relevant Cash Settlement Amount on a *pro rata* and *pari passu* basis until the Adjusted Principal Balance of each Note is reduced to zero. The Adjusted Principal Balance of the Notes will be adjusted automatically and interest shall not accrue on any Note if and for so long as the Adjusted Principal Balance of such Note is zero. Reductions to the Adjusted Principal Balance of the Notes may, in certain circumstances, be subsequently reinstated with interest. To the extent not previously paid or reduced, the aggregate Adjusted Principal Balance of, and accrued and unpaid interest on, the Notes will be due and payable on the Final Maturity Date.

The occurrence of a Date of Default under the Credit Default Swap may, therefore, lead to a reduction of the Adjusted Principal Balance of the Notes and, due to such reduction in the Adjusted Principal Balance, interest payable to the Noteholders and therefore the Noteholders will be exposed to the risk of loss upon a Credit Event occurring in respect of any Reference Entity. See also "*Risk Factors —Interest Entitlement*".

Reference Entities

The Reference Entities and Reference Obligations referenced in the Credit Default Swap will be specified in the Reference Register. The Reference Portfolio as of the Closing Date will be as set out in the Reference Register, certain characteristics of which are set out in the section entitled "*Description of the Initial Reference Portfolio*". The Reference Register will not disclose the names of the Reference Entities or the Reference Obligations (as this is information that the Swap Counterparty is legally constrained from disclosing, including, for example, under applicable banking secrecy laws and confidentiality obligations). However, the Reference Entities and the Reference Obligations will each be identified by means of a unique alpha-numeric identifier in the Reference Register. See *Reference Register - Reference Obligation Information* for a description of the information that will be available in the Reference Register.

Limited Provision of Information about Reference Entities

The Swap Counterparty may, whether by virtue of the types of relationships described herein or otherwise, at the Closing Date or at any time thereafter, be in possession of information in relation to a Reference Entity or any other person that is or may be material in the context of the transactions contemplated in this Prospectus and that may or may not be publicly available or known to the Issuer, the Note Trustee, the Security Trustee or any Noteholder.

Without prejudice to the Noteholders' rights to inspect the Investor Reports, the Replenishment Reports, the Reference Register (which will contain the Reference Obligation Information in respect of each Reference Obligation, as described in the section *Reference Register*) and the other documents described in the section *General Information - Inspection of Documents and Availability of Information*, none of the Issuer, the Note Trustee, the Security Trustee or any Noteholder will have the right to inspect any records of the Swap Counterparty or any affiliate thereof.

Notwithstanding that the Reference Entities and the Reference Obligations each will be identified by means of a unique alpha-numeric identifier in the Reference Register, none of the Issuer, the Note Trustee, the Security Trustee or the Noteholders will have the right to know the identities of the Reference Entities, any guarantor or provider of Reference Collateral or, except as specifically required

under the terms of the Credit Default Swap, to receive any information regarding any obligation of any Reference Entity. Other than in respect of the reports and notices to be delivered under the terms of the Credit Default Swap (as described in "*Description of the Credit Default Swap — Reporting*"), the Swap Counterparty will have no obligation to keep the Issuer, the Security Trustee, the Note Trustee or the Noteholders informed as to the terms of any obligation of any Reference Entity or any other matters arising in relation to any Reference Entity or any Reference Obligation, including whether or not circumstances exist under which there is a possibility of the occurrence of a Credit Event. There may therefore be a difference between the level of information on Reference Entities available to the Swap Counterparty and that available to the Noteholders. The Swap Counterparty is not obligated to consider this factor or to otherwise consider the interests of the Noteholders in taking or refraining to take any action in relation to the Reference Portfolio.

None of the Security Trustee, the Note Trustee or the Issuer is obliged to monitor Reductions, Removals or Replenishments with respect to the Reference Portfolio.

The Reference Entities and the related Reference Obligations comprising the Reference Portfolio may change from time to time in accordance with the terms of the Credit Default Swap.

Reference Obligations

An Initial Loss Amount and, subsequently, a Final Loss Amount will be determined in respect of Reference Entities in respect of which Credit Events have occurred (and the Conditions to Settlement have been satisfied) by reference to the recovery, sale or valuation of one or more Reference Obligations thereof and, in the case of Restructuring Credit Events, by reference to the amount of the value adjustment or other similar debit to the profit and loss account of the Relevant Lender in respect of the write-down or postponement of principal, interest or fees relating to the Restructured Reference Obligations.

Reference Obligations will be designated by the Swap Counterparty on or before the Closing Date in respect of each Reference Entity and identified in the Reference Register. The Reference Obligations will be required to be certain senior claims, including partial claims, in respect of principal, interest and fees (if any) arising from loans (including syndicated loans), revolving credit facilities to corporate entities (including financial institutions and certain other entities) and small to medium enterprises (including partnerships and sole traders) including any contingent claims in respect of obligations that are guaranteed by a guarantor. See "*Description of the Credit Default Swap — Reference Portfolio — Reference Obligations*".

In selecting Reference Obligations, the Swap Counterparty shall have regard to its own interests and not those of any other person.

Diversification Risk

The risk of Credit Events occurring with respect to the Reference Portfolio and the amount and extent of any Cash Settlement Amounts relating thereto may be adversely affected by the concentration of exposure within the Reference Portfolio to any one area, obligor or industry. The Eligibility Criteria require that each Reference Entity has its principal operations in Ireland. See "*Eligibility Criteria*" and "*Conditions to Replenishment*".

Industry Sector Concentration of the Reference Entities

Although the Reference Entities are involved in a range of different industry sectors, there may be either a higher concentration of Reference Entities in a particular industry or correlation between the creditworthiness of Reference Entities in different but related industry sectors. Deterioration in the economic conditions in any such industry sector or sectors may adversely affect the ability of the Reference Entities to pay the Reference Obligations and, therefore, could increase the risk of Credit Events occurring in relation to the related Reference Obligations. A greater concentration of Reference Entities in particular industry sectors may, therefore, result in a greater risk of loss than if such concentration had not been present.

Investors in the Notes should be aware that, although the Conditions to Replenishment include limits on the concentration of Reference Obligation Notional Amounts, the relative size of the Protected Tranche

Notional Amount as compared with the concentration limits may mean that investors still have significant exposure to particular industries.

Industry Sector Classification of the Reference Entities

The industry sector classifications of the Reference Entities are based solely on the internal industry classification by the Swap Counterparty and investors in the Notes are advised that these classifications may be materially different from those produced by rating agencies. The methodology by which the Swap Counterparty determines internal industry sector classifications may be subject to revision or withdrawal at any time (including, without limitation, immediately following the Portfolio Cut-off Date). Prospective investors should be aware that the Swap Counterparty may change the industry sector categories it uses for the purpose of assigning industry sector classifications to entities, including Reference Entities, following the Closing Date. The Swap Counterparty will have no obligation to keep the Issuer, the Security Trustee, the Note Trustee or the Noteholders informed of any such change. Following the introduction of any such change, the industry classification in respect of each Reference Entity for the purpose of the Notes will be determined by the Swap Counterparty by reference to the industry sector classification immediately prior to the introduction of such change to the relevant successor industry classification.

Geographical Concentration of the Reference Entities

The Eligibility Criteria require that each Reference Entity has its principal operations in Ireland. Any deterioration in the economic conditions in Ireland or any other jurisdiction in which the Reference Entities operate that causes an adverse effect on the ability of the Reference Entities to repay their obligations could increase the risk of losses on the Reference Obligations. See "*Description of the Initial Reference Portfolio*".

Impact of Economic and Geopolitical Uncertainty

Unfavourable exchange rate movements and/or changes in interest rates in Ireland or in any other jurisdiction in which Reference Entities conduct business, as well as geopolitical uncertainty (including uncertainty following the UK vote to exit the EU relating to the nature, timing and impact of withdrawal), may have an adverse effect on the ability of the Reference Entities to perform their obligations under the Reference Obligations.

Valuation of Credit Protection Claims

Calculation of Cash Settlement Amount and Cash Settlement Reimbursement Amount

Following the occurrence of a Credit Event with respect to a Reference Entity, the Swap Counterparty may elect to make a credit protection claim in respect of that Reference Entity. If the Swap Counterparty elects to make a credit protection claim then, subject to the satisfaction of certain Conditions to Settlement, the Swap Calculation Agent will determine an Initial Loss Amount and, subsequently, a Final Loss Amount in respect of the Reference Obligation(s) of the relevant Reference Entity. To the extent that the Periodic Loss Amount in respect of an Observation Date is greater than zero, the Issuer shall pay a Cash Settlement Amount to the Swap Counterparty equal to the lesser of (subject to a minimum of zero) (a) the Periodic Loss Amount minus the sum of (i) the Periodic Synthetic Excess Spread Amount in respect of that Observation Date and (ii) the Remaining Threshold Amount as of the immediately preceding Observation Date (after adjustment) and (b) the Protected Tranche Notional Amount as of the immediately preceding Observation Date (after adjustment). To the extent that the Periodic Loss Amount is less than zero the Swap Counterparty shall pay a Cash Settlement Reimbursement Amount to the Issuer equal to the absolute value of the Periodic Loss Amount minus the Senior Tranche Reimbursement Amount in respect of the relevant Observation Date, provided that the sum of all Cash Settlement Reimbursement Amounts determined on or prior to such date shall not exceed the sum of all Cash Settlement Amounts determined on or prior to such date. The Initial Loss Amount will be determined by the Swap Calculation Agent by calculating an Initial Loss Percentage and multiplying such percentage by the Defaulted Notional Amount of the relevant Defaulted Reference Obligation. The Final Loss Amount will be determined by reference to recoveries upon a work-out or sale of the Reference Obligation(s) of the relevant Reference Entity or, in the event that the Swap Calculation Agent has not determined prior to the date falling 60 Business Days prior to the Final Termination Date that the Relevant Lender is not expected to make any further recoveries in respect of the Credit Event(s) of the relevant Reference Entity,

by reference to the amount the Swap Calculation Agent determines would ultimately constitute the recoveries upon the completion of the work-out in respect of such Credit Events based on estimates provided by the Relevant Lender to the Swap Calculation Agent. Where the Credit Event is a Restructuring Credit Event, the Initial Loss Amount and Final Loss Amount shall be determined by reference to the amount of the value adjustment or other similar debit to the profit and loss account of the Relevant Lender in respect of the write-down or postponement of principal, interest or fees relating to the Restructured Reference Obligations.

No Loss Required

The Issuer's obligation to pay any Cash Settlement Amount exists regardless of whether the Swap Counterparty suffers a loss or is exposed to the risk of loss following the occurrence of a Credit Event, and regardless of whether it has any legal or beneficial interest in any obligations of any Reference Entity (including the Reference Obligation(s) of such Reference Entity) or any economic risk in respect thereof.

No Legal or Beneficial Interest in Obligations of Reference Entities or Reference Obligations

Under the terms of the Credit Default Swap, the Issuer will have a contractual relationship only with the Swap Counterparty and not with any Reference Entity. The Credit Default Swap does not constitute a purchase or other acquisition or assignment of any interest in any obligation of any Reference Entity. Accordingly, none of the Issuer, the Note Trustee, the Security Trustee or any other Secured Party (other than BOI in respect of Reference Obligations for which it is the Relevant Lender) will have any recourse against the obligor and/or guarantor of any Reference Obligation (or any other credit support provided in relation thereto). The Issuer will have no right directly to enforce compliance by the obligor and/or guarantor of a Reference Obligation with the terms of a Reference Obligation or any rights of set-off against the obligor and/or guarantor of a Reference Obligation or any voting rights with respect to any Reference Obligation. The Issuer will not directly benefit from any underlying assets or enhancements supporting a Reference Obligation and will not have the benefits of any remedies that would normally be available to a holder of a Reference Obligation.

None of the Issuer, the Transaction Administrator, the Note Trustee, the Security Trustee, the Joint Arrangers or the Joint Placement Agents has undertaken any legal due diligence in respect of the Reference Portfolio, the Reference Entities or the terms of any Reference Obligation.

Replenishment

The Initial Reference Portfolio Notional Amount for the Reference Portfolio is EUR 2,870,000,000.

As Reductions (as described under "*Description of the Credit Default Swap — Reference Portfolio – Reductions*") and Removals (as described under "*Description of the Credit Default Swap — Reference Portfolio – Removals*") occur or as Recoveries are made, in each case, with respect to the Reference Portfolio, the Swap Counterparty will have the right, during the Replenishment Period (but no more frequently than once in each calendar month period) and subject to the satisfaction of the applicable Conditions to Replenishment, to adjust the Reference Portfolio by adding Reference Obligations relating to existing Reference Entities, adding new Reference Entities and adding related Reference Obligations, or increasing the Reference Obligation Notional Amount of any Reference Obligation then comprising the Reference Portfolio, or any combination of the foregoing; **provided that** the sum of the Reference Obligation Notional Amounts for all Reference Entities in the Reference Portfolio on such date would, after all such Replenishments on such date, be less than or equal to the Maximum Reference Portfolio Notional Amount. Accordingly, the nature and extent of the risks assumed by the Issuer (and indirectly the Noteholders) will change over time and accordingly may do so in a manner adverse to the interests of the Issuer (and the Noteholders).

In making Replenishments, Reductions or Removals, the Swap Counterparty shall have regard to its own interests and not those of any other person. The Swap Counterparty will not be obliged to remove a Reference Obligation from the Reference Portfolio if either it or the relevant Reference Entity falls out of compliance with the Eligibility Criteria after the inclusion of such Reference Obligation in the Reference Portfolio.

Market for Loans and Loan-related Exposures

Pursuant to the Credit Default Swap, the Issuer (and indirectly the Noteholders) will be subject to exposure associated with Credit Events in relation to loans and loan-related claims. Purchasers of loans and loan-related claims currently include commercial banks, investment funds and investment banks. As the market develops, new loans may contain standardised documentation to facilitate loan trading which may improve market liquidity in relation to such new loans. However, it is unlikely that the loans and loan-related claims comprising the Reference Portfolio would have the benefit of any such standard documentation, and there can be no assurance that future levels of supply and demand in loan trading will provide an adequate degree of liquidity or that the current level of liquidity will continue. Because holders of such loans may be provided with confidential information relating to the borrower, the unique and customised nature of the loan agreement and the private syndication of the loan, loans are not purchased or sold as easily as publicly traded securities are purchased or sold. In addition, historically the trading volume in the loan market has been small relative to other debt markets. There can be no assurance in this regard that any such quotations or firm bids will be available at the relevant time, or that any such quotations or bids that are available will not be unfavourable to the Issuer and, ultimately, the Noteholders.

Reliance on Administration and Collection Procedures

Administration and Collection Policies

The BOI Servicers, where applicable, will carry out the administration, collection and enforcement of the Reference Obligations in accordance with the Servicing Principles as described in "*Description of the Credit Default Swap — Servicing*".

For syndicated Reference Obligations for which the Servicer is not a BOI Entity, the Servicer (or any agent bank) will carry out the administration, collection and enforcement of such Reference Obligations, including enforcement of any security granted in respect thereto, in accordance with the servicing requirements of the documentation governing the relevant Reference Obligation and also to a material degree in accordance with their own credit and collection policies. Any member of the BOI Group that holds syndicated Reference Obligations will have only limited means under the documentation governing the relevant Reference Obligation to influence the servicing of the Reference Obligations by the Servicers (or, any agent bank, as the case may be). In some cases, the applicable servicing requirements may be changed by decision of the syndicate banks, without the consent of any relevant entity within the BOI Group that may be holding the syndicated Reference Obligation.

Accordingly, the Noteholders are relying on the business judgment and practices of the Servicers and any other agent bank in administering the Reference Obligations, enforcing claims against Reference Entities (including enforcement of any security granted in respect thereto) and also, in the case of syndicated Reference Obligations, on decisions of a majority of the syndicate banks.

No Agency Relationship

The Swap Counterparty and/or its affiliates and the BOI Servicers will not be (and will not be deemed to be acting as) the agent or trustee of the Issuer, the Security Trustee, the Note Trustee, the Noteholders or any other Secured Party in connection with the exercise of, or the failure to exercise, any of the rights or powers of the Swap Counterparty and/or its affiliates arising under or in connection with their respective holding, if any, of any obligation of any Reference Entity.

Dealings with respect to Reference Obligations of Reference Entities

Each of the Swap Counterparty, each other Transaction Participant and their respective affiliates may:

- (a) deal in (including, without limitation, transfer, assign, charge, collateralise, encumber or otherwise dispose of interests in) each Reference Obligation;
- (b) accept deposits from, make loans or otherwise extend credit to, advise and generally engage in any kind of commercial or investment banking or other business with any Reference Entity, any affiliate of any Reference Entity, any other person or entity having obligations relating to any Reference Entity; and

- (c) act with respect to transactions described in the preceding paragraphs in the same manner as if the Credit Default Swap and the Notes did not exist regardless of whether any such action might have an adverse effect (including, without limitation, any action which might constitute or give rise to a Credit Event) on any Reference Entity or the position of either party to the Credit Default Swap or the Notes or otherwise.

Such parties may accordingly derive revenues and profits from such activities without any duty to account to any person therefor.

Information Regarding the Reference Portfolio

No Investigation or Representations

No investigations, searches or other inquiries have been made by or on behalf of the Transaction Participants in respect of any Reference Entity or Reference Obligation and no representations or warranties have been or are given by the Issuer or any other Transaction Participant in respect thereof. No Transaction Participant will have any responsibility or duty to make any such investigations, to keep any such matters under review or to provide the Noteholders with any information (save as expressly provided in the Transaction Documents) in relation to such matters or to advise as to the attendant risks.

No further Information

The Issuer or any other Transaction Participant may acquire information with respect to a Reference Obligation, the obligor and/or guarantor of any Reference Obligation, or with respect to any other Transaction Participant that may be material in the context of the Notes and may or may not be publicly available or known. None of such persons shall be under any obligation to make such information available to Noteholders or otherwise save as expressly provided in the Transaction Documents.

Features of the Notes

The amount of principal repayable in respect of the Notes at any time will be limited to the Adjusted Principal Balance of the Notes. The Adjusted Principal Balance of the Notes is credit-linked to the performance of the Reference Entities as described below. Noteholders will be exposed to the credit risks of the Reference Entities (and the Reference Obligations thereof) to the full extent of their investment in the Notes and must rely solely on Collateral Principal Proceeds (and, to the extent that the Cash Deposit Bank fails to meet its obligations in respect of the Principal Collections Account, the Cash Deposit Bank Security granted in favour of the Issuer over the Collateral Securities and any cash deposit in the Custody Account), subject to the payment of Cash Settlement Amounts and certain prior ranking expenses, for the payment of the Adjusted Principal Balance of the Notes. The amount of principal repaid upon any redemption of the Notes may therefore be less than the amount invested and in certain cases may be zero.

Interest Entitlement

The amount of interest payable will be determined by reference to the Adjusted Principal Balance of the Notes and reductions in the Adjusted Principal Balance of the Notes will reduce the amount of such interest payable on the Notes accordingly. On each Note Payment Date immediately following a Cash Settlement Date upon which the Issuer is obliged to pay a Cash Settlement Amount to the Swap Counterparty, subject to the terms of the Conditions, the Adjusted Principal Balance of the Notes will be reduced, without any commensurate payment to Noteholders, by the amount of the relevant Cash Settlement Amount on a *pro rata* and *pari passu* basis until the Adjusted Principal Balance of each Note is reduced to zero. The Adjusted Principal Balance of the Notes will be adjusted automatically and interest shall not accrue on any Note if and for so long as the Adjusted Principal Balance of such Note is zero.

To the extent that the Final Loss Amount actually determined in respect of the Reference Obligation Notional Amount of a Defaulted Reference Obligation is less than the Initial Loss Amount, following determination of the Final Loss Amount, a make-whole payment in respect of the interest on such excess amount will be made. To the extent that the Final Loss Amount actually determined is greater than the Initial Loss Amount, following determination of the Final Loss Amount, the Interest Amount in respect of the Notes on the next Note Payment Date(s) will be reduced to account for the difference in the amount that was paid over the amount that would have been paid had the actual Final Loss Amount been determined on the relevant Cash Settlement Date.

If any Notes remain outstanding on or after the Notes Termination Date, such Notes will continue to accrue interest at a rate equal to the Interest Rate.

Interest payments due on the Notes will be funded by (a) Swap Premium payments made by the Swap Counterparty under the Credit Default Swap and (b) interest (if any) earned on each of the Principal Collections Account and the Interest Collections Account.

Redemption

Redemption of the Notes

The date on which payment in full of principal on the Notes is scheduled to commence is the Scheduled Redemption Date.

However, payment of principal on the Notes may commence prior to the Scheduled Redemption Date as a result of (a) the determination of a Protected Tranche Amortisation Amount under the Credit Default Swap, (b) the occurrence of an Early Redemption Date (including a Tax Redemption Date, a Swap Optional Early Termination Date, a Swap Acceleration Date or a Security Enforcement Date).

To the extent not previously paid or reduced to zero, Notes will be redeemed in full on the Final Maturity Date.

To the extent that the Notes are redeemed prior to the Final Maturity Date, the holders of the Notes will bear the risk of reinvesting principal payments at a yield less than the yield on their Notes.

Amortised Redemption

If, at any time after the Replenishment Period and on any Amortisation Date, the Protected Tranche Notional Amount under the Credit Default Swap has been reduced by a Portfolio Amortisation Amount pursuant to the terms of the Credit Default Swap, the Issuer shall, on the immediately following Note Payment Date, subject to any prior ranking claims in accordance with the applicable Order of Priority, apply the Principal Collections in an amount equal to the Protected Tranche Amortisation Amount determined in respect of such Amortisation Date and, to the extent of interest due, Interest Collections available for distribution on that date in or towards redemption of the Notes until the Adjusted Principal Balance of the Notes is zero.

Deferred Redemption

Repayment of principal on the Notes on the Notes Termination Date may be deferred to the extent of the Issuer's potential liability for unsettled claims or potential claims pursuant to the terms of the Credit Default Swap.

If, as at the Scheduled Redemption Date, there exist Unsettled Reference Obligations (in respect of any Cash Settlement Amount due or potentially due after such date), then the redemption of the Notes may be deferred to the extent that and until such Cash Settlement Amounts have been paid or, until the date on which the applicable Conditions to Settlement can no longer be satisfied.

Redemption of the Notes on and after the Notes Termination Date

On the Notes Termination Date and on each Redemption Date thereafter, the Issuer shall, subject to any prior ranking claims in accordance with the applicable Order of Priority, allocate and apply the amounts of principal payable by the Issuer towards redemption of the Notes for that date together with Interest Collections available for distribution on that date towards redemption of the Notes (together with any accrued but unpaid interest thereon) until the Adjusted Principal Balance of the Notes is zero.

On the Notes Termination Date and, if applicable, each Redemption Date thereafter, the amount of funds available for the payment of principal on the Notes will be limited to the Adjusted Outstanding Principal Balance of the Notes *minus* an amount equal to (a) the aggregate of the Defaulted Notional Amounts of each Unsettled Reference Obligation on that date (or the amount which would be the Defaulted Notional Amount in respect of that Unsettled Reference Obligation if it was a Defaulted Reference Obligation) *minus* (b) the sum of all Initial Loss Amounts which have been determined in respect of each such

Unsettled Reference Obligation on such date *minus* the Remaining Threshold Amount as at that date (the "**Note Extension Amount**").

For so long as a positive Protected Tranche Notional Amount exists, the Notes or a portion thereof will remain outstanding.

Redemption upon Tax Redemption Event

Upon the occurrence of a Tax Redemption Event, the Issuer may, subject to certain conditions, designate any Note Payment Date as the Tax Redemption Date on giving not less than 30 calendar days' and not more than 45 calendar days' irrevocable notice to the Noteholders. See "*Terms and Conditions of the Notes — Condition 6.5 (Optional Redemption of the Notes in Whole for Tax Reasons)*".

If the repayment of principal has not commenced prior to the Tax Redemption Date, the repayment of principal will commence in accordance with the provisions described herein on the Tax Redemption Date.

Redemption upon Swap Optional Early Termination Date

Upon the occurrence of a Swap Optional Early Termination Event, the Swap Counterparty may, subject to certain conditions, designate any Fixed Rate Payer Payment Date falling on or following such Swap Optional Early Termination Event as the Swap Optional Early Termination Date on giving not less than 30 Business Days' irrevocable notice to the Issuer (with a copy to the Notes Calculation Agent, the Note Trustee and the Transaction Administrator). See "*Terms and Conditions of the Notes — Condition 6.4 (Mandatory Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date)*".

One of the Swap Optional Early Termination Events is a "**Regulatory Change**". Under the Credit Default Swap, a Regulatory Change will occur if, on or after the Effective Date and in the sole opinion of the Swap Counterparty (as certified in writing to the Issuer by two senior officers of the Swap Counterparty), there is (a) an enactment of, supplement to, amendment to or change of any: (I) applicable law, policy or regulation; or (II) guidelines or instructions of any relevant international or Irish body or other regulator in any applicable jurisdiction (including any relevant international or Irish banking regulator, central banks or other authority responsible for bank regulations, including without limitation, the Central Bank of Ireland or the European Central Bank (or any successors thereto)), (together, the "**Bank Regulations**") applicable to the Swap Counterparty and/or any member of the BOI Group; (b) an official communication of previously not existing or not publicly available official interpretation of such Bank Regulations; or (c) a change in the official interpretation, implementation or application of such Bank Regulations, which become effective after the Effective Date and which results in, or would result in, an adverse and material change in the regulatory capital treatment of the Credit Default Swap for the Swap Counterparty pursuant to applicable capital adequacy requirements or regulations as compared with the capital treatment anticipated by the Swap Counterparty on the Effective Date. Investors should be aware that the Swap Counterparty has discretion in determining whether a Regulatory Change has occurred and, given the range of factors that might interfere with Swap Counterparty's ability to reflect the capital benefit of the Credit Default Swap or the transaction to which it relates, investors should make their own evaluation of the likelihood of such an occurrence and the timing thereof.

If the repayment of principal has not commenced prior to the Swap Optional Early Termination Date, the repayment of principal will commence in accordance with the provisions described herein on the Swap Optional Early Termination Date.

Swap Acceleration Event

The occurrence of a Swap Acceleration Event under the Credit Default Swap will result in the occurrence of the Swap Acceleration Date under Condition 6.4 (*Mandatory Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date*) and the Notes will be redeemed as described above.

Enforcement and Note Trustee and Security Trustee Action

Following the occurrence of an Event of Default, the Note Trustee may, at its discretion, or shall, if so directed by the holders of at least 25 per cent. of the Adjusted Principal Balance of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, and subject, in each case,

to it being indemnified and/or secured and/or prefunded to its satisfaction, deliver a Note Enforcement Notice to the Issuer, the Security Trustee, the Principal Paying Agent, the Issuer Account Bank, the Transaction Administration and the Cash Deposit Bank declaring the Notes to be immediately due and payable and the Security shall become enforceable on the Security Enforcement Date.

Subject to the terms of the Security Trust Deed, on and after the Security Enforcement Date, the Security Trustee or any Receiver, may at its discretion and without notice, institute or take such proceedings, steps or other action against the Issuer as it thinks fit to enforce its rights under the Security Trust Deed or the other Transaction Documents in respect of the Notes or the Security, but it shall not be bound to take any such action unless (a) it has been so requested in writing by the Instructing Party; or (b) it has received a Note Enforcement Notice, and, in any case, it has been indemnified and/or secured and/or prefunded to its satisfaction.

No Gross-up Provisions

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by any applicable jurisdiction or any political subdivision thereof or by any authority thereof or therein having power to tax, unless such withholding or deduction is required by any applicable law or pursuant to any agreement between the Issuer and any applicable jurisdiction or any political subdivision thereof or any authority thereof or therein having the power to tax.

In that event, and **provided that** the Issuer has been specifically provided with funds by the Swap Counterparty (at the option of the Swap Counterparty) for such purpose and subject to certain exceptions described in the Conditions, the Issuer will pay such Additional Amounts as will result in the receipt by the Noteholders of such amounts as would have been received by them if no such withholding or deduction had become required. There can be no guarantee that the Swap Counterparty will elect to provide the Issuer with funds for such purpose.

If the Swap Counterparty elects not to pay such Additional Amounts the Issuer will not be obliged to pay any additional amounts to the Noteholders in respect of such withholding or deduction and will withhold or deduct from any payments to the Noteholders, any amounts on account of tax where so required by law or any relevant taxing authority.

Limited Liquidity

There is currently no market for the Notes. Although the Joint Placement Agents may make a market in the Notes, the Joint Placement Agents are under no obligation to make a market in, or otherwise purchase, the Notes and, following the commencement of any market-making, may discontinue the same at any time. There can be no assurance that a secondary market for any of the Notes will develop, or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity or that it will continue for the life of the Notes. Moreover, the limited scope of information available to the Issuer, the Note Trustee, the Security Trustee and the Noteholders regarding the Reference Entities, the Reference Obligations and the nature of any Credit Event, including uncertainty as to the extent of any reduction of the Adjusted Principal Balance of the Notes if a Credit Event has occurred but, at such time, any relevant Cash Settlement Amount has not been determined, may adversely affect the liquidity of the Notes. In addition, the Notes are subject to certain selling restrictions and can only be offered or sold to certain persons as described under "*Subscription and Sale*". The Notes are also subject to certain transfer restrictions and can only be transferred to certain transferees as described under "*Purchase and Transfer Restrictions*".

Such restrictions on the transfer of Notes may further limit the liquidity of the Notes. Consequently, any purchaser of the Notes must be prepared to hold such Notes for an indefinite period of time or until final redemption or maturity of the Notes.

Leveraged Investment

Under the Credit Default Swap, the Issuer will be obligated to pay Cash Settlement Amounts to the Swap Counterparty as a result of Credit Events occurring in respect of the Reference Obligations of the Reference Entities comprising the Reference Portfolio or, where applicable, in respect of such Reference

Entities to the extent that any resulting losses fall in the Protected Tranche. The Credit Default Swap is a leveraged arrangement because the Issuer is (and therefore the Noteholders are) exposed to the risks on the entire Reference Portfolio (with an Initial Reference Portfolio Notional Amount of EUR 2,870,000,000) while the potential liability of the Issuer for Cash Settlement Amounts to the Swap Counterparty under the Credit Default Swap is limited to the Protected Tranche Notional Amount under the Credit Default Swap, which is an amount initially equal to the aggregate Initial Principal Balance of the Notes of EUR 186,550,000. The excess of the Initial Reference Portfolio Notional Amount of the Reference Portfolio over the Protected Tranche Notional Amount under the Credit Default Swap increases the risk of loss to the Issuer and the Noteholders. Accordingly, the Noteholders are subject to a higher risk of losing all or part of their investment.

Volatility

The market value of the Notes is likely to vary substantially over time and may be significantly less than par (or even zero) in certain circumstances.

Conflicts of Interest

Save as provided in the Conditions and/or the Security Trust Deed in connection with the exercise by it of any of its trusts, powers, authorities, duties, rights, obligations and discretions under the Security Trust Deed, while any amounts are or may become due by the Issuer to the Swap Counterparty under the Credit Default Swap, the Security Trustee is required to have regard *first*, to the interests of the Swap Counterparty (for so long as the Swap Counterparty is the Instructing Party), *second*, to the interests of the Noteholders and *finally*, to the interests of the other Secured Parties.

Book-Entry Interests

Unless and until Individual Note Certificates are issued, persons acquiring Notes will not be the legal owners or holders of such Notes but will have rights in their capacity as Participants in accordance with the rules and procedures of the relevant Clearing System and, in the case of Indirect Participants, their agreements with Direct Participants (such rights, "**Book-Entry Interests**"). After payment to the Common Depositary, the Issuer will have no responsibility or liability for the payment of interest, principal or other amounts to Euroclear, Clearstream, Luxembourg, the Common Depositary or to holders of Book-Entry Interests. The nominee for the Common Depositary will be the registered holder and legal owner of the Notes for so long as the Notes are represented by one or more Global Note Certificates. Accordingly, each person owning a Book-Entry Interest must rely on the relevant procedures of the Common Depositary, Euroclear and Clearstream, Luxembourg and, if such person is an Indirect Participant in such entities, on the procedures of the Direct Participant through which such person holds its interest, to exercise any rights of Noteholders under the Note Trust Deed.

So long as the Notes are in global form, payments of principal and interest on, and other amounts due in respect of, Notes will be made to the Common Depositary. Upon receipt of any payment, Euroclear and Clearstream, Luxembourg will promptly credit Direct Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests, as shown on their records. The Issuer expects that payments by Direct Participants or Indirect Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in 'street name', and will be the responsibility of such Direct Participants or Indirect Participants. None of the Issuer, the Note Trustee, the Security Trustee, any Paying Agent or Registrar will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, the Book-Entry Interests or for maintaining, supervising or reviewing any records relating to such Book-Entry Interests.

Unlike holders of Individual Note Certificates, holders of the Book-Entry Interests will not have direct rights under the Note Trust Deed or Security Trust Deed to act upon solicitations of consents or requests by the Issuer for waivers or other actions from Noteholders. Instead, a holder of Book-Entry Interests will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear or Clearstream, Luxembourg (as the case may be) and, if applicable, Direct Participants. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable holders of Book-Entry Interests to vote on any requested actions on a timely basis. Similarly, upon the occurrence of an Event of Default, holders of Book-Entry Interests will be restricted to acting through

Euroclear or Clearstream, Luxembourg (as the case may be) unless and until Individual Note Certificates are issued. There can be no assurance that the procedures to be implemented by Euroclear or Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Note Trust Deed or the Security Trust Deed.

Transaction Participant Risk

Reliance on Creditworthiness and Performance of Transaction Parties

The Swap Counterparty has agreed, under a separate fee letter between the Issuer and the Swap Counterparty (the "**Fee Letter**"), to pay all reasonable and properly incurred, documented and vouched for costs, charges, liabilities and expenses (including without limitation, any negative interest amounts charged on the Interest Collections Account, corporate administration expenses, directors' fees, statutory auditor expenses, legal fees and any publication, advertising, communication, courier, postage, legal and other out-of-pocket expenses) (plus any applicable value added tax) necessary for the maintenance of the Issuer's corporate existence, to include, on the Closing Date, all fees incurred by the Issuer in connection with the issuance of the Notes (including the aggregate expenses related to the admission of the Notes to trading, which are estimated to be EUR 7,000) (the "**Issuer Expenses**"). The Issuer Expenses also include certain enforcement costs and withholding tax deductions relating to the Issuer's cash deposit at the Cash Deposit Bank. The Issuer Expenses do not include any tax liabilities of the Issuer, any liabilities in respect of indemnities, or any liabilities under the Notes or (save for certain fees and expenses) the Transaction Documents.

The ability of the Issuer to meet its obligations under the Notes will be dependent, where applicable, upon the payment of all sums due from the Swap Counterparty under such separate fee letter and the Credit Default Swap, the payment of all sums due under the Cash Deposit Agreement by the Cash Deposit Bank and the payment by the Paying Agents of payments required pursuant to the Agency Agreement and upon the performance by all Transaction Participants of their respective obligations under the Transaction Documents.

Noteholders are exposed, among other things, to the creditworthiness of the Swap Counterparty, the Custodian, the Cash Deposit Bank, the Issuer Account Bank and the Paying Agents.

Pursuant to the Cash Deposit Bank Security Agreement, the Cash Deposit Bank will secure its obligations in respect of the Principal Collections Account by granting a first fixed charge and/or assignment to the Issuer on the Issue Date over (1) a portfolio of Collateral Securities and cash held by the Cash Deposit Bank in the Custody Accounts and (2) its rights under and in respect of the Custody Agreement.

Collateral Securities will be held by the Custodian on behalf of the Cash Deposit Bank pursuant to the Custody Agreement. Such assets will be held with the Custodian or with Euroclear or Clearstream, Luxembourg.

Should the Cash Deposit Bank fail to meet its obligations in respect of the Principal Collections Account, then, pursuant to the Cash Deposit Bank Security Agreement, the Issuer will have recourse to the Collateral Securities and cash held in the Custody Account to the extent of such failure by the Cash Deposit Bank. In such circumstances, should it become necessary for the Issuer to sell or otherwise liquidate any Collateral Securities prior to their scheduled redemption date, the Issuer will be exposed to the risk that the price received for those Collateral Securities will be less than the par value. The Issuer would also be exposed to the risk of any failure by the issuer of any Collateral Security to pay the full amount due on a redemption of such Collateral Security or (should the Swap Counterparty also fail to pay the Swap Premium due on the applicable Interest Payment Date) of any shortfall caused in relation to the Custody Account and the Principal Collections Account due to negative Custody Income Proceeds and Collateral Income Proceeds during the preceding Interest Period.

Under English law (and Irish law), for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid. There is a risk therefore that even a charge which purports to be taken as a fixed charge may take effect as a floating charge if a court deems that the requisite level of control was not exercised, which, in particular, would result in a charge ranking after a subsequently created fixed charge. However, the Cash Deposit Bank has covenanted in the Cash Deposit Bank Security Agreement not to create any such subsequent security interests (other than

those permitted under the Cash Deposit Bank Security Agreement) without the consent of the Issuer. The level of control which the Issuer has over the Custody Accounts is set out in more detail in "*The Cash Deposit Bank Security Agreement, Collateral Securities and Custody Agreement*" below. If the security created by the Cash Deposit Bank Security Agreement took effect as a floating charge, certain creditors of the Cash Deposit Bank (which creditors would have otherwise ranked behind the Issuer) could rank ahead of the Issuer with respect to the charged assets in the event of an insolvency of the Cash Deposit Bank.

In addition, custody and clearance risks may be associated with Collateral Securities or other assets which are securities that do not clear through Euroclear or Clearstream, Luxembourg. There is a risk, for example, that such securities could be counterfeit, or subject to a defect in title or claims to ownership by other parties, including custody liens imposed by standard custody terms at various stages in the chain of intermediary ownership of such Collateral Securities. In addition, in such circumstances the Issuer will be exposed to the creditworthiness of the Custodian to the extent of the cash held in the Custody Accounts. Any risk of loss arising from any insufficiency or ineffectiveness of the security granted by the Cash Deposit Bank or the custody and clearance risks which may be associated with assets comprising Collateral Securities will be borne indirectly by the Noteholders without recourse to the Transaction Participants.

None of the Transaction Participants (other than the Paying Agents and pursuant to that role only) is obliged to make payments to the Noteholders in respect of the Notes. None of the Issuer or any other Transaction Participant guarantees the value of the Notes at any time or is obliged to make good on any losses suffered as a result of Credit Events under the Credit Default Swap or otherwise.

Roles of Transaction Participants

BOI and certain of its affiliates will be acting in a number of capacities in connection with the transactions described herein. BOI will be the Swap Counterparty, the Swap Calculation Agent under the Credit Default Swap and the Cash Deposit Bank.

In its role as the Swap Calculation Agent under the Credit Default Swap, BOI will, among other things, determine any Cash Settlement Amounts to be paid to, and any Cash Settlement Reimbursement Amounts to be paid by, the Swap Counterparty.

Deutsche Bank AG, London Branch will be the Principal Paying Agent, the Notes Calculation Agent and the Transaction Administrator. Deutsche Trustee Company Limited will be Security Trustee and the Note Trustee. Deutsche Bank Luxembourg S.A. will be the Registrar. The Bank of New York Mellon, London Branch will be the Custodian. The Bank of New York Mellon SA/NV, Dublin Branch will be the Collateral Monitoring Agent. Each of Deutsche Bank AG, London Branch, Deutsche Trustee Company Limited, The Bank of New York Mellon, London Branch, The Bank of New York Mellon SA/NV, Dublin Branch, Deutsche Bank Luxembourg S.A., BOI and/or their respective affiliates, acting in such capacities in connection with such transactions, will have only the duties and responsibilities expressly agreed to by such entity in the relevant capacity and will not, by virtue of its or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each such capacity.

Other Business of the Swap Counterparty

The Swap Counterparty and its affiliates may engage in other business and furnish investment management, advisory and other types of services to other clients whose investment policies differ from those followed by the Swap Counterparty under the Credit Default Swap and from which they may derive revenues and profits in addition to the fees stated in the various Transaction Documents, without any duty to account to any person therefor. The Swap Counterparty may make recommendations to or effect transactions with other clients which may differ from those effected with respect to the Credit Default Swap.

Conflicts between the Swap Counterparty and the Noteholders

Under the Security Trust Deed and the Principal Collections Account Charge, the Security Trustee will hold a security interest in the Charged Assets for the benefit of, among others, the Noteholders whose rights on an enforcement of the security interest will be subordinate to, the prior rights of, among others,

the Swap Counterparty in respect of the Issuer's obligations to the Swap Counterparty under the Credit Default Swap.

For the purposes of the right of Noteholders to vote (including, without limitation, the related right to attend any meeting) and the passing of any resolutions, in each case, in connection with any Reserved Matter, any Notes held by the Swap Counterparty or its Affiliates will be deemed not to remain outstanding. In all other cases (including a vote on a matter other than a Reserved Matter), such Notes will not be disregarded and the voting rights attaching to such Notes may be exercised by the Swap Counterparty or its Affiliate (as the case may be) in its absolute discretion.

The interests of the Swap Counterparty are generally adverse to the interests of the Noteholders. The Swap Counterparty is not obligated to consider the interests of the Noteholders in designating or replenishing the Reference Obligations or taking any other actions in this connection, nor are the BOI Servicers obligated to consider the interests of the Noteholders in servicing the Reference Obligations.

Conflicts between the Operating Creditors and the Noteholders

Under the Security Trust Deed and the Principal Collections Account Charge, the Security Trustee will hold a security interest in the Charged Assets for the benefit of, among others, the Noteholders whose rights on an enforcement of the security interest will be subordinate to the prior rights of, among others, the Operating Creditors in respect of the Issuer's obligations to the Operating Creditors under the Transaction Documents.

Security Trustee to take into account interests of Swap Counterparty

The Security Trustee will be obliged, in certain circumstances, to take into account the interests of the Swap Counterparty in taking any discretionary action or making any discretionary determination with respect to the Charged Assets in priority to the interests of the Noteholders. In certain circumstances the Security Trustee will, subject to its being indemnified and/or secured and/or prefunded to its satisfaction, be obliged to act at the direction of the Swap Counterparty, and the Security Trustee may act with respect to certain matters relating to the Notes and the other Transaction Documents without regard to the interests of the Noteholders.

Conflicts involving the Transaction Parties

Various potential and actual conflicts of interest may arise between the interests of the Noteholders, on the one hand, and the interests of any of the Transaction Participants, on the other hand, as a result of the various businesses and activities of the Transaction Participants, and none of such persons is required to resolve such conflicts of interest in favour of the Noteholders.

Each of the Swap Counterparty, the Joint Arrangers, the Joint Placement Agents and their affiliates may purchase the Notes for their own account or enter into secondary market transactions or derivative transactions relating to the Notes, including, without limitation, purchase, sale (or facilitation thereof), repurchase transactions, stock borrowing or credit or equity-linked derivatives such as asset swaps, repackagings and credit default swaps, at the same time as the offering of the Notes. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Prospectus relates (notwithstanding that such selected counterparties may also be a purchaser of the Notes). As a result of such transactions, the Swap Counterparty, the Joint Arrangers, the Joint Placement Agents or their affiliates may hold long or short positions relating to the Notes. Each of the Swap Counterparty, the Joint Arrangers, the Joint Placement Agents and their affiliates may also engage in investment or commercial banking and other dealings in the ordinary course of business with the Issuer or its affiliates from time to time and may receive fees and commissions for these transactions. In addition to the transactions noted above, each of the Swap Counterparty, the Joint Arrangers, the Joint Placement Agents and their affiliates may, from time to time after completion of the offering of the Notes, engage in other transactions with, and perform services for, the Issuer or its affiliates and/or any Reference Entity comprised in the Reference Portfolio in the ordinary course of their business. Each of the Swap Counterparty, the Joint Arrangers, the Joint Placement Agents and their affiliates may also purchase the Notes for asset management and/or proprietary purposes but not with a view to distribution or may hold the Notes on behalf of clients or in the capacity of investment advisors. While each of the Swap Counterparty, the Joint Arrangers, the Joint Placement Agents and their affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause the Swap

Counterparty, the Joint Arrangers, the Joint Placement Agents or their affiliates or their clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. Each of the Swap Counterparty, the Joint Arrangers, the Joint Placement Agents may receive returns on such transactions and have no obligation to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes. The Joint Placement Agents may not disclose or use information gained in the course of their dealings for the benefits of the investors. The Joint Placement Agents are not obligated to disclose or use information gained in the course of the Joint Placement Agents' dealings with any third parties to or for the interests of the Noteholders.

Nature of the Issuer's Obligations

Limited Funds Available to the Issuer to Pay Operating Expenses

The funds available to the Issuer to pay Expenses and certain fees and expenses of the Note Trustee and for payment of the Issuer's other accrued and unpaid administrative expenses are limited. In the event that such funds are not sufficient to pay such Expenses or those of the Note Trustee, the ability of the Issuer to operate effectively may be impaired, and it may not be able to defend or prosecute legal proceedings that may be brought against it or that it might otherwise bring to protect the interests of the Issuer.

Limited Assets

The Issuer has no substantial assets or sources of revenue other than the Issuer's rights to or in the Charged Assets.

Operating History

The Issuer is a special purpose entity incorporated on 2 February 2015 and established for the sole purpose of carrying out the activities contemplated under the Transaction Documents and has no prior operating history. Accordingly, the Issuer has no performance history for a prospective investor to consider.

Limited Recourse and subordination of interest and principal on the Notes to certain expenses

The Notes will be limited recourse obligations of the Issuer, payable solely out of the Charged Assets subject to the Security provided by the Issuer to secure, among other things, the Notes.

On an enforcement of the Security granted by the Issuer in favour of the Security Trustee, the rights of the Noteholders to be paid amounts due under the Notes will be subordinate to, among others:

- (a) the prior rights of the Note Trustee and the Security Trustee, any Receiver and the Operating Creditors to their respective Expenses (except, in the case of the Operating Creditors, Exceptional Expenses); and
- (b) the prior rights of the Swap Counterparty in respect of any amounts owing or potentially owing by the Issuer to the Swap Counterparty under the Credit Default Swap.

If the proceeds of enforcement of the Security are insufficient to make payments on the Notes in full, no other assets will be available for payment of such deficiency and the obligations of the Issuer to pay such deficiency shall be extinguished.

Non Petition

None of the Noteholders, the Note Trustee, the Security Trustee or any other Secured Party shall be entitled to petition or take any other step for the winding-up, reorganisation, examinership, administration, liquidation, bankruptcy or insolvency or other analogous proceedings of the Issuer at any time.

Limited Liability of the Issuer; Regulation

The Issuer is a designated activity company with limited liability incorporated under the Companies Act 1963 of Ireland (subsequently replaced by the Companies Act 2014 of Ireland) (the "**Companies Act**"). Because the Issuer is an Irish company with limited liability and its directors reside in Ireland, it may not be possible for Noteholders to effect service of process outside Ireland on such persons or to enforce against them or against the Issuer in courts outside Ireland judgments predicated upon the provisions of laws of jurisdictions other than Ireland.

The Issuer believes that, save for the requirement to be registered as a designated activity company under the Companies Act (and to register with the Central Bank as a "financial vehicle corporation" which registration the Corporate Services Provider has, in the Corporate Services Agreement, contracted to procure) it is not required to be licensed, registered or authorised under any current securities, commodities, banking or financial services laws and regulations of Ireland and will operate without supervision by any authority in any jurisdiction and many of the requirements attendant to such licensing, registration or authorisation (which may be viewed as providing investor protection) will not apply.

In particular, in the Swap Confirmation the Swap Counterparty and the Issuer have acknowledged and confirmed that the Credit Default Swap is not a contract of insurance. Additionally, as a matter of the governing law of the Credit Default Swap, the absence of a requirement for the Swap Counterparty to hold the relevant Reference Obligations, and the requirement for the Issuer to pay Cash Settlement Amounts whether or not the Swap Counterparty has suffered a loss in connection with a Credit Event would strongly suggest that the Credit Default Swap would not be considered a contract of insurance under English law, as its governing law. Similar considerations would apply in Ireland, the jurisdiction of incorporation of each of the Issuer and the Swap Counterparty. However, notwithstanding such acknowledgement and confirmation and the analysis above, it is possible that that regulatory authorities in one or more jurisdictions (which may include jurisdictions with which investors may have a nexus) could take a contrary view regarding the characterisation of the Credit Default Swap (and consequently an investment in the Notes) as a contract of insurance and the applicability of any consequential regulatory requirements. To the extent that a regulatory authority took such a contrary view, such recharacterisation would not affect the enforceability of the Credit Default Swap against the Issuer as matters of English and Irish law.

Miscellaneous

No Rating

The Notes are not rated by any credit rating agency.

Description of the Transaction Documents

The descriptions of the Cash Deposit Agreement, the Issuer Account Bank Agreement, the Administration and Cash Management Agreement, the Agency Agreement, the Corporate Services Agreement, the Cash Deposit Bank Security Agreement, the Custody Agreement, the Collateral Monitoring Agreement, the Credit Default Swap, the Notes, the Note Trust Deed, the Security Documents, and the Subscription Agreement contained in this Prospectus are summaries only and Noteholders are bound by, and are deemed to have notice of, all the provisions of such documents.

Implementation of and/or changes to the Basel framework may affect the capital requirements and/or the liquidity associated with a holding of the Notes for certain investors and may give rise to a Swap Optional Early Termination Date

As a result of the current environment and market events, the minimum regulatory requirements imposed on the BOI Group, the manner in which the existing regulatory capital and capital requirements are calculated, the instruments that qualify as regulatory capital and the capital tier to which those instruments are allocated, could be subject to change in the future. A number of regulatory initiatives have recently been proposed or enacted, which may significantly alter the BOI Group's capital requirements.

Basel III has been implemented in part into EU law via the CRR and Capital Requirements Directive IV (CRD IV), both of which were published in June 2013. The legislation requires the European Banking

Authority (the "**EBA**") to prepare technical standards setting out requirements around the implementation of certain aspects of the legislation. The CRR came into force on 1 January 2014 and is directly applicable in Ireland. CRD IV has been implemented in Ireland by the European Union (Capital Requirements) Regulations 2014 and the European Union (Capital Requirements) (No.2) Regulations 2014 (together the "**CRD Regulations**"), which were signed into Irish law on 31 March 2014. The CRR and the CRD Regulations (together the CRD IV Legislation) introduce new regulatory requirements for regulated institutions such as the BOI Group and its licensed subsidiaries. CRR and CRD IV also include requirements for regulatory and technical standards to be published by the EBA. Some of these have not yet been published or their impact is uncertain.

No assurance can be given as to how the final measures or the application of such measures by any regulatory authority or BOI might affect the regulatory treatment of the Notes or the Credit Default Swap. Investor also should be aware that the final measures or their application may give rise to a Regulatory Change under the Credit Default Swap entitling, the Swap Counterparty, subject to certain conditions, to designate a Swap Optional Early Termination Date. See "Terms and Conditions of the Notes — Condition 6.4 (*Mandatory Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date*)" and Risk Factors - Redemption upon Swap Optional Early Termination Date.

Supervision via the Single Supervisory Mechanism may result in increased regulatory obligations for the Swap Counterparty which may give rise to a Swap Optional Termination Event

The Single Supervisory Mechanism (the "**SSM**") is a system of financial supervision comprising the European Central Bank (the "**ECB**") and the national competent authorities of participating EU countries, including the Central Bank in Ireland. Historically the Central Bank of Ireland has had overall responsibility for the authorisation and supervision of credit institutions operating in Ireland. From 4 November 2014 a number of supervisory responsibilities and decision making powers moved to the ECB. The Central Bank of Ireland retains responsibility for the supervision activities defined in the SSMR (as defined below) as non-core (including, for example, anti-money laundering and consumer protection). The ECB is responsible for all core supervisory responsibilities as defined in the Council Regulation (EU) No. 1024/2013 (the "**SSMR**"). For institutions considered "significant" by the ECB (of which BOI is one) a Joint Supervisory Team ("**JST**"), led by the ECB and consisting of both ECB and Central Bank of Ireland supervisors directly supervises these firms.

Should this result in an increase in the level of regulatory obligations and/or more stringent enforcement thereof, this could give rise to a Regulatory Change under the Credit Default Swap. As described *Risk Factors - Redemption upon Swap Optional Early Termination Date*, the Swap Counterparty, may subject to certain conditions, to designate a Swap Optional Early Termination Date upon the occurrence of a Regulatory Change. See also "Terms and Conditions of the Notes — Condition 6.4 (*Mandatory Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date*)".

U.S Regulatory Changes

In July 2010, the United States Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which initiated a fundamental overhaul of the regulatory scheme for the financial markets in the United States, including with respect to the regulation of derivative transactions, certain conflicts of interests and certain activities by banking entities.

Title VII of the Dodd-Frank Act establishes a comprehensive U.S. regulatory regime for a broad range of derivatives contracts and provides the Commodities Futures Trading Commission (the "**CFTC**") and the SEC with jurisdiction and regulatory authority over such contracts. The Issuer's view is that the Notes do not contain provisions that would cause them to be subject to regulation by the CFTC or the SEC as a derivative contract at this time. However, due to the credit-linked nature of the Notes, there can be no assurance that the Notes will not be subject to such regulation in the future, which could adversely affect the rights of the Holders.

Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (commonly known as the "**Volcker Rule**") generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an

ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. Under the Volcker Rule, unless otherwise jointly determined by specified federal regulators, a "covered fund" does not include an issuer which could rely on an exclusion or exemption under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7). The Volcker Rule became effective on 1 April 2014, and was subject to a conformance period for certain funds which concluded on 21 July 2015. The general effects of the Volcker Rule remain uncertain. Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

Pursuant to Section 621 of the Dodd-Frank Act, in 2011 the SEC proposed a new Rule 127B under the Securities Act to prohibit conflicts of interests in certain securitizations.

Impact of regulatory reform on the Swap Counterparty, the Credit Default Swap and the Notes is not clear

Various efforts are ongoing to legislate and implement changes in banking regulation (collectively, "**Regulatory Reform**"). These include broad-based, international efforts around capital (most recently, Basel III) and more localised efforts around permitted banking business and remuneration (for example, the Dodd-Frank Act). Also, local regulators will continue their effort around specific local policy objectives, some of which may have extraterritorial impact (for example, continued development of the US sanctions regime), and some of which could have more local impact designed to develop or protect markets. It is premature to be able to form conclusive assessments on the impact of Regulatory Reform on the performance of the Reference Obligations, or, more broadly, on the permitted structure of banks in the short to medium term future, which could impact the type of business conducted by BOI in general and BOI's financial condition or results of operations. This could have either positive or negative impact as regards the risk composition of business that BOI as Swap Counterparty is permitted to conduct and BOI may incur significant costs as a result of any change in its composition of business.

Should Regulatory Reform create a Regulatory Change under the terms of the Credit Default Swap, BOI as Swap Counterparty may, subject to certain conditions, designate a Swap Optional Early Termination Date. Further, the introduction of restrictions on permitted activities and investments for banking entities, such as the Volcker Rule and analogous proposals in the EU, may have an adverse effect on the liquidity or secondary market value of the Notes. Given the continuing nature of these efforts, investors should consult their own advisers in assessing the potential impact of Regulatory Reform on a decision to acquire the Notes. See further *Risk Factors - Redemption upon Swap Optional Early Termination Date*, and "Terms and Conditions of the Notes — Condition 6.4 (*Mandatory Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date*)".

Securitisation Regulations

The European Commission has published legislative proposals for two new regulations related to securitisation. Amongst other things, the proposals include provisions intended to implement the revised securitisation framework developed by the Basel Committee on Banking Supervision and provisions intended to harmonise and replace the risk retention and due diligence requirements (including the corresponding guidance provided through technical standards) applicable to certain EU regulated investors. There are material differences between the legislative proposals and the current requirements. It is not clear whether, and in what form, the legislative proposals (and any corresponding technical standards) will be adopted. In addition, the compliance position under any adopted revised requirements of transactions entered into prior to adoption, and of activities undertaken by a party (including an investor) in respect of such transactions, is uncertain. No assurance can be given as to how the final measures or the application of such measures by any regulatory authority or BOI might affect the regulatory treatment of the Credit Default Swap. See further *Risk Factors - Redemption upon Swap Optional Early Termination Date*.

Prospective investors should therefore ensure that they have sufficient knowledge and awareness of the legislative proposals as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Notes.

Risk Retention

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in many measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation positions and/or whether certain collective investment undertakings which constitute AIFs under Article 4 of Directive 2011/61/EU (each such collective investment undertaking, an "**AIF**") or insurance undertakings which are subject to EU Directive 2009/138/EC ("**Solvency II**") (each an "**Affected Investor**") are permitted to invest in such securities. Accordingly, this may affect the incentive for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Swap Counterparty, the Joint Arrangers or the Joint Placement Agents make any representation to any prospective investor or purchaser of the Notes regarding the regulatory treatment of their investment on the Closing Date or at any time in the future.

In particular, investors should be aware of Articles 404–410 of Regulation (EU) No. 575/2013 ("**CRR**"). Articles 404-410 broadly restrict an EU regulated credit institution and its consolidated affiliates (each an "**Affected CRR Investor**") from investing in asset-backed securities unless the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the Affected CRR Investor that it will retain, on an ongoing basis, a net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or asset exposures as contemplated by Articles 404-410. Articles 404-410 also require an Affected CRR Investor to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, the position it has acquired and the underlying exposures and that procedures are established for such activities to be conducted on an ongoing basis. Failure to comply with one or more of the requirements set out in Articles 404-410 will result in the imposition of a penal capital charge on the Notes acquired by the Affected Investor. On 16 June 2014 the European Parliament adopted regulatory technical standards ("**RTS**") relating to Articles 404-410.

Investors should also be aware of Article 17 of Directive 2011/61/EU on Alternative Investment Fund Managers (the "**AIFMD**") and Chapter III, Section 5 of Regulation 231/2013 supplementing the AIFMD (the "**AIFM Regulation**"), the provisions of which introduced risk retention and due diligence requirements in respect of alternative investment fund managers ("**AIFMs**") that are required to become authorised under the AIFMD. Similar risk retention and due diligence requirements apply to investors which are insurance or reinsurance undertakings pursuant to Article 135(2) of Solvency II and Articles 254-257 of Commission Delegated Regulation (EU) No. 2015/35 supplementing Solvency II (the "**Solvency II Regulation**"). While the requirements applicable to AIFMs under Chapter III, Section 5 of the AIFM Regulation and insurance and reinsurance undertakings under Articles 254-257 of the Solvency II Regulation are similar to those which apply under Articles 404-410, they are not identical and, in particular, additional due diligence obligations apply to AIFMs and insurance or reinsurance undertakings. Together, the requirements of Articles 404-410 of CRR, Chapter III, Section 5 of the AIFM Regulation and Articles 254-257 of the Solvency II Regulation, as supplemented by any applicable RTS, constitute "**Risk Retention Regulations**".

Each of the Risk Retention Regulations applies in respect of the Notes. Affected Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulator) where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Each prospective investor is required independently to assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with the Risk Retention Regulation and none of the Issuer, the Joint Placement Agent or any party to a Transaction Document makes any representation that the information described above and below in this Prospectus is sufficient in all circumstances for such purposes. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the Risk Retention Regulations (including any regulatory technical standards, implementing technical standards and any other implementing provisions in their jurisdiction). Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction should seek guidance from their regulator.

It should also be noted that similar requirements to those set out in the Risk Retention Regulations are expected to be implemented for other EU regulated investors in the future.

In general, each prospective investor should consider its regulatory position and obtain any necessary advice in relation to any potential investment in the Notes prior to making any such investment.

Each applicable member of the BOI Group has committed (or will commit on the relevant date) to adhere to the requirements set out in Article 408 of the CRR and deliver, in a timely manner, to BOI as the relevant EU parent credit institution the information needed to satisfy the requirements referred to in Article 409 of the CRR.

BOI undertakes that a member of the BOI Group will retain, at all times until the redemption of the notes, a material net economic interest which shall in any event be not less than 5 per cent of the nominal value from time to time of each Reference Obligation as contemplated by Article 405(1)(a) of CRR, Article 51(1)(a) of the AIFM Regulation and Article 254(2)(a) of the Solvency II Regulation. Such holding will be achieved by one or more members of the BOI Group holding the requisite amount of each Reference Obligation outside the Reference Portfolio and such amount shall not be subject to any credit risk mitigation or any short positions or any other hedge and shall not be sold (other than where there is a Full Disposal of the relevant Reference Obligation).

Pursuant to the terms of the Credit Default Swap, BOI has undertaken to provide on a periodic basis (i) post issuance information in relation to each Reference Obligation, (ii) post issuance transaction information and (iii) confirmation of BOI's continuing compliance with the requirement to retain a material net economic interest of at least 5 per cent. of the nominal value of each Reference Obligation in accordance with Article 405(1)(a) of CRR, Article 51(1)(a) of the AIFM Regulation and Article 254(2)(a) of the Solvency II Regulation. The Transaction Administrator will make available such information (as part of the Investors' Report) on quarterly basis via the following website: <https://tss.sfs.db.com/investpublic/>. The website and the contents thereof do not form part of this Prospectus.

If BOI sells or transfers any additional tranche of the securitisation, it will retain a material net economic interest which shall in any event be not less than 5 per cent of the nominal value from time to time of each Reference Obligation of each such additional tranche as contemplated by Article 405(1)(a) of CRR, Article 51(1)(a) of the AIFM Regulation and Article 254(2)(a) of the Solvency II Regulation. Such holding will be achieved by one or more members of the BOI Group holding the requisite amount of each Reference Obligation outside the Reference Portfolio and such amount shall not be subject to any credit risk mitigation or any short positions or any other hedge and shall not be sold (other than where there is a Full Disposal of the relevant Reference Obligation).

BOI may change its Credit and Collection Process

To the extent that a BOI Servicer or a Servicing Agent is responsible for servicing a Reference Obligation, BOI shall, or shall procure that each Servicing Agent shall service Reference Obligations in accordance with BOI's credit and collection process or an approved exception to same. BOI's credit and collection process as applying at the date of this prospectus is described in "*Credit and Collection Process*" below. BOI retains the right to revise its credit and collection process and operational practice as determined from time to time, and in individual cases to use its discretion to deviate from the credit and collection process then applying in accordance with the standards of a Prudent Lender; and further may be required to revise its credit and collection process if mandated by applicable law or regulation. Accordingly, the credit and collection process applied to a Reference Obligation may not be the same as that set out in the section "*Credit and Collection Process*".

Failure in the processes, operational systems, technology or infrastructure, of BOI Group, or those of third parties

BOI Group is exposed to a broad range of operational risks as a direct and indirect consequence of performing its day-to-day business activities. These risks are an inherent part of the execution of its business processes, the functioning and resilience of its technologies, the implementation of new products and processes, and the management of its assets, including the capture, retention and disposal of customer and BOI Group data, including data concerning the Reference Obligations and Reference Entities.

Operational risks may materialise as a result of a broad range of factors, including weaknesses or failures in BOI Group's internal or customer facing processes, such as account-opening, payments processing, financial reporting and risk monitoring processes. Such risks may materialise due to information

technology or equipment failures, the malfunction or deficiency of external systems and controls (including those of BOI Group's suppliers or counterparties), or from people-related or external events, such as cyber-crime, fraud, unauthorised trading and errors or from natural disasters and social or political events. Cyber-crime risk represents a persistent and ever-evolving threat to which BOI Group is exposed, and for which a broad range of measures are implemented in order to detect possible vulnerabilities and to protect BOI Group from the potential impact of attacks. The realisation of any of the foregoing could adversely affect the quality of the data relied upon by BOI in its roles as Swap Counterparty, Swap Calculation Agent and/or BOI Servicer.

BOI Group faces various risks associated with operational disruption, breakdown or constraints, including in the provision of products and services by third party suppliers that are integral to BOI Group's day-to-day delivery of products and services. If one or more of these risks were to materialise, the confidentiality, integrity and availability of BOI Group's business processes, computer systems and networks may be compromised, or otherwise cause interruptions or malfunctions in BOI Group's, as well as its clients' or third parties', operations, which could adversely affect the ability of the Swap Calculation Agent to perform its role under the Credit Default Swap and/or of the BOI Servicer to service the Reference Obligations.

As part of its day-to-day operations, BOI Group processes a large volume of transactions, some of which are highly complex (including the Credit Default Swap), across a diverse range of products and services, in various markets and currencies and subject to several legal and regulatory regimes. BOI Group faces the risk that due to errors, control failures or criminal acts, BOI Group's execution and provision of these transactions and services may be negatively impacted. BOI Group is required to implement and adhere to a significant body of existing and new regulatory and legal requirements. The implementation of these requirements and the ongoing adherence to their associated obligations, pose various risks, including the potential for non-compliance and direct operational impacts on existing processes and systems and on the continuity of services provided to customers.

European Market Infrastructure Regulation (EMIR)

The Issuer will be entering into a credit default swap transaction. Regulation (EU) No. 648/2012 of the European Parliament and Council on over the counter ("**OTC**") derivatives, central counterparties and trade repositories dated 4 July 2012 ("**EMIR**") establishes certain requirements for OTC derivatives contracts including mandatory clearing obligations, bilateral risk-management requirements and reporting requirements. Although not all the regulatory technical standards specifying the risk-management procedures, including the levels and type of collateral and segregation arrangements, required to give effect to EMIR are as yet in force and it is therefore not possible to be definitive, investors should be aware that certain provisions of EMIR impose obligations on the Issuer in relation to the Credit Default Swap including, without limitation, in relation to reporting transactions to a trade repository or the European Securities and Markets Authority. The Credit Default Swap will include provisions dealing with both parties' portfolio reconciliation, dispute resolution and reporting requirements under EMIR.

U.S. Foreign Account Tax Compliance ("FATCA") withholding may affect payments on the Notes

FATCA imposes a reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with the reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution.

Whilst the Notes are in global form and held within the Clearing Systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the Clearing Systems (see the section entitled "*Taxation of Noteholders*"). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each

custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the Principal Paying Agent and the Principal Paying Agent has paid the Clearing Systems, and the Issuer has therefore no responsibility for any amount thereafter transmitted through the Clearing Systems and custodians or intermediaries. In no circumstances will the Issuer be required to gross-up any payments in respect of any FATCA withholding.

Central Bank Considerations

This Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Directive 2003/71/EC. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive 2003/71/EC. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. There can be no assurance that any such listing will be obtained or, if obtained, will be maintained.

Bank Recovery and Resolution Directive

The Bank Recovery and Resolution Directive, Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 (the "**BRRD**") introduced a new framework in the European Union for the recovery and resolution of banks and other financial institutions. The BRRD was transposed in Ireland by the European Union (Bank Recovery and Resolution) Regulations 2015. Under the BRRD, the competent authority may take early intervention measures to prevent a bank's financial position from deteriorating, including replacing management or installing a temporary administrator in place of existing management. Competent authorities and resolution authorities are given power to, among other things:

- (a) require banks to prepare recovery plans and cooperate with competent authorities in the preparation of resolution plans;
- (b) take early intervention measures to prevent a bank's financial position from deteriorating, including replacing management or installing a temporary administrator in place of existing management;
- (c) appoint a special manager in place of existing management; and
- (d) implement resolution tools to manage the orderly resolution of a failing institution, including: (i) selling the institution or all or part of the business of the institution (the sale of business tool); (ii) transferring the institution or all or part of the business of the institution to a bridge institution (the bridge institution tool); (iii) transferring assets and liabilities of an institution to one or more asset management vehicles (the asset separation tool); and (iv) writing down capital instruments of an institution and writing down or converting to equity certain liabilities of an institution (the "**bail-in tool**").

The competent authorities, including the Central Bank, have required the BOI Group to produce a recovery plan in accordance with the BRRD. The BOI Group prepared and submitted its recovery plans as required, most recently in September 2016.

The BRRD is complemented by Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (the "**SRM Regulation**"), which established the Single Resolution Mechanism (the "**SRM**"). The SRM Regulation is designed to ensure the uniform application of the BRRD resolution rules to failing banks subject to the SSM and prevent systemic contagion. It is based on close cooperation between the national resolution authorities of participating Member States, and a new centralised European resolution authority, the Single Resolution Board (the "**SRB**"). The SRB has the authority to exercise specific resolution powers pursuant to the SRM Regulation similar to those of the competent authorities under the BRRD, including in relation to resolution planning and the assessment of resolvability.

The exercise of the resolution tools created by the SRB and the BRRD could result in changes to the structure or organisation of the BOI Group and/or the Swap Counterparty and/or reduce or extinguish obligations of the BOI Group. In particular, in connection with a resolution of the BOI Group, the bail-in tool could be used to reduce or extinguish the liabilities of the Swap Counterparty with respect to the Credit Default Swap. In addition, to the extent the balance of the Principal Collections Account exceeds the value of assets secured by the Cash Deposit Bank Security Agreement, the bail-in tool could be used to reduce or extinguish the liabilities of the Cash Deposit Bank but only to the extent of such excess.

Examiners, preferred creditors and floating charges may give rise to additional risks for the Notes

The Issuer is subject to risks relating to the location of its centre of main interest, the appointment of an examiner and claims of preferred creditors and floating charges, each as considered below.

Centre of main interest

The Issuer has its registered office in Ireland. As a result there is a rebuttable presumption that its centre of main interest ("COMI") is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the European Court of Justice ("ECJ") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings, that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

Examinership

Examinership is a court moratorium/protection procedure which is available under Irish company law to facilitate the survival of Irish companies in financial difficulties. Where a company, which has its COMI in Ireland is, or is likely to be, unable to pay its debts, an examiner may be appointed on a petition to the relevant Irish court under Section 509 of the Companies Act 2014 of Ireland.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner.

The examiner, once appointed, has the power to halt, prevent or rectify acts or omissions, by or on behalf of the company after his appointment and, in certain circumstances, negative pledges given by the company prior to his appointment will not be binding on the company. Furthermore, where proposals for a scheme of arrangement are to be formulated, the company may, subject to the approval of the court, affirm or repudiate any contract under which some element of performance other than the payment remains to be rendered both by the company and the other contracting party or parties.

During the period of protection, the examiner will compile proposals for a compromise or scheme of arrangement to assist in the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the relevant Irish court when a minimum of one class of creditors, whose interests are impaired under the proposals, has voted in favour of the proposals and the relevant Irish court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement and the proposals are not unfairly prejudicial to any interested party.

The fact that the Issuer is a special purpose entity that has no employees and all its liabilities are of a limited recourse nature means that it is unlikely that an examiner would be appointed to the Issuer.

If however, for any reason, an examiner was appointed while any amounts due by the Issuer under the Notes were unpaid, the primary risks to the holders of the Notes would be as follows:

- (a) the potential for a scheme of arrangement being approved involving the writing down of the debt due by the Issuer to the Noteholders irrespective of the Noteholders' view;
- (b) the potential for the examiner to seek to set aside any negative pledge prohibiting the creation of security or the incurring of borrowings by the Issuer to enable the examiner to borrow to fund the Issuer during the protection period; and
- (c) in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the Irish High Court) will take priority over the amounts secured by the charges held for the benefit of the Noteholders and the other Secured Parties under the Security Documents.

Preferred Creditors

If the Issuer becomes subject to an insolvency proceeding and the Issuer has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Noteholders, the Noteholders may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular:

- (a) under the terms of the Security Trust Deed, the Notes will be secured in favour of the Security Trustee for the benefit of itself and the other Secured Parties by security over the Charged Assets and assignments of various of the Issuer's rights under the Transaction Documents. Under Irish law, the claims of creditors holding fixed charges may rank behind other creditors (namely fees, costs and expenses of any examiner appointed and certain capital gains tax liabilities) and, in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners for PAYE, pay related social insurance, local property tax and value-added tax;
- (b) under Irish law, for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid. There is a risk therefore that even a charge which purports to be taken as a fixed charge may take effect as a floating charge if a court deems that the requisite level of control was not exercised; and
- (c) in an insolvency of the Issuer, the claims of certain other creditors (including the Irish Revenue Commissioners for certain unpaid taxes), as well as those of creditors mentioned above, will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes as they will be scheduled to the Note Trust Deed and would appear on the Notes if delivered in definitive form subject to completion and amendment. The meaning of any term referred to but not fully defined in these terms and conditions may be ascertained by reference to other sections of this Prospectus and/or the Note Trust Deed.

The EUR 186,550,000 Credit-Linked Floating Rate Notes (the "**Notes**") due on 29 December 2024 of Grattan Securities DAC (the "**Issuer**") will be issued by the Issuer on a limited recourse basis.

The Notes:

- (a) are subject to, and have the benefit of, a note trust deed dated the Closing Date (as amended or supplemented from time to time, the "**Note Trust Deed**") between the Issuer and Deutsche Trustee Company Limited as note trustee (the "**Note Trustee**", which expression includes all persons for the time being appointed note trustee or note trustees under the Note Trust Deed) and as security trustee (the "**Security Trustee**", which expression includes all persons for the time being appointed security trustee or security trustees under the Security Trust Deed);
- (b) are the subject of an agency agreement dated the Closing Date (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), Deutsche Bank AG, London Branch as principal paying agent (the "**Principal Paying Agent**" (which expression includes any successor principal paying agent appointed from time to time in connection with the Notes) and together with any additional or successor paying agents that may be appointed under the Notes, the "**Paying Agents**"), transaction administrator (the "**Transaction Administrator**") and notes calculation agent (the "**Notes Calculation Agent**"), the Note Trustee, the Security Trustee, The Governor and Company of the Bank of Ireland as swap counterparty (the "**Swap Counterparty**") and others. References herein to the "**Agents**" are to the Registrar, the Principal Paying Agent, the Paying Agents and the Notes Calculation Agent and any reference to an "Agent" is to any of them.

Certain provisions of the terms and conditions of the Notes (the "**Conditions**") are summaries of or otherwise related to the Transaction Documents and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents. Copies of the Transaction Documents are available for inspection and collection by Noteholders during normal business hours at the principal office of the Note Trustee being, at the date hereof, Winchester House, 1 Great Winchester Street, London EC2N 2DB, and at the Specified Office of the Principal Paying Agent.

1. **Form, Denomination and Status**

1.1 **Form and Denomination**

The Notes are in individual fully registered form, without interest coupons or principal receipts attached, in the applicable Minimum Denomination. An Individual Note Certificate will be issued to each Noteholder in respect of its registered holding or holdings of Notes.

1.2 **Status**

The Notes constitute secured, limited recourse obligations of the Issuer and each Note shall at all times rank *pari passu* with each other Note.

2. **Register, Title and Transfer**

2.1 **Register**

The Registrar will maintain a register (the "**Register**") in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly. A

certificate (each, an "**Individual Note Certificate**") will be issued to each Noteholder in respect of its registered holding. Each Individual Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

2.2 ***Title***

The Holder of each Note shall (except as otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Individual Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Individual Note Certificate) and no person shall be liable for so treating such Holder.

2.3 ***Transfers***

Subject to Conditions 2.6 (*Closed periods*) and 2.7 (*Regulations concerning transfers and registration*) below, a Note may be transferred in whole or part only in the nominal amounts equal to the Minimum Denomination in excess thereof upon surrender of the relevant Individual Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar, together with such evidence as the Registrar may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer. Where not all the Notes represented by the surrendered Individual Note Certificate are the subject of the transfer, a new Individual Note Certificate in respect of the balance of the Notes will be issued to the transferor.

2.4 ***Registration and delivery of Individual Note Certificates***

Within five business days of the surrender of an Individual Note Certificate in accordance with Condition 2.3 (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Individual Note Certificate of a like principal amount to the Notes transferred to each relevant Holder at its Specified Office or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this Condition 2, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar has its Specified Office.

2.5 ***No charge***

The transfer of a Note will be effected without charge by or on behalf of the Issuer or the Registrar but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

2.6 ***Closed periods***

Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.

2.7 ***Regulations concerning transfers and registration***

All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Note Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

3. ***Security***

3.1 ***Security***

As security for the payment of all monies payable by the Issuer in respect of the Notes and the other Secured Obligations, the Issuer will, on the Closing Date, enter into the Security Trust Deed and the Principal Collections Account Charge with the Security Trustee and others

pursuant to which the Issuer will grant the following security interests to the Security Trustee for the benefit of the Secured Parties:

- (a) an English law assignment by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any, in and to all sums of money to which it is or may be entitled and are from time to time and at any time standing to the credit of the Interest Collections Account and any other bank or other account present or future in any jurisdiction (other than the account in which the paid up ordinary share capital of the Issuer and any Issuer Transaction Fee have been deposited) in which it may at any time acquire any right, title, interest or benefit together with all interest accruing from time to time thereon and the debt represented by such accounts;
- (b) a Irish law charge by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any in and to all sums of money to which it is or may be entitled and are from time to time and at any time standing to the credit of the Principal Collections Account together with all interest accruing from time to time thereon and the debt represented by such account;
- (c) an English law assignment by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any, under each of the Cash Deposit Agreement, the Issuer Account Bank Agreement, the Administration and Cash Management Agreement, the Agency Agreement, the Corporate Services Agreement, the Credit Default Swap, the Notes, the Note Trust Deed, (save for any rights, title, interests and benefits, present and future that it may have against the Security Trustee under the Security Trust Deed) the Security Trust Deed, the Custody Agreement, the Collateral Monitoring Agreement and the Subscription Agreement;
- (d) an English law assignment by way of first fixed security of any and all of its rights, title, interests and benefits (present and future), if any, in respect of the security interests granted to the Issuer by the Cash Deposit Bank under the Cash Deposit Bank Security Agreement;
- (e) an English law assignment by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any, under any replacement Cash Deposit Agreement, Cash Deposit Bank Security Agreement, Issuer Account Bank Agreement or other agreement entered into pursuant to or as contemplated in the Transaction Documents from time to time; and
- (f) an English law first floating charge over the whole of its undertaking, property, assets, rights and revenues (other than the account in which the paid up ordinary share capital of the Issuer and any Issuer Transaction Fee have been deposited) to the extent not effectively encumbered by the assignments described above.

All of the assets and property which are expressed to be subject to the Security created under or pursuant to the Security Documents are herein referred to as the "**Charged Assets**". On enforcement of the Security in accordance with Conditions 10 (*Note Events of Default and Acceleration*), 17 (*Enforcement*) and the Security Trust Deed, the Security Trustee is required to apply monies available for distribution in accordance with the Enforcement Order of Priority.

3.2 ***Rights of the Note Trustee and the Security Trustee***

Pursuant to the Note Trust Deed, the Issuer has agreed to pay to, or to the order of, the Note Trustee, sums equal to any sums owing to the Noteholders under the Notes as and when the same fall due for payment under the Notes; and, pursuant to the Security Trust Deed, the Issuer has agreed to pay to, or to the order of, the Security Trustee, sums equal to any sums owing to the Secured Parties (including the Noteholders) in respect of the Secured Obligations as and when the same fall due for payment.

4. **Covenants of the Issuer**

The Issuer covenants and agrees in the Note Trust Deed, among other things, that, so long as any of the Notes remain outstanding, it shall not, without the prior written consent of the Note Trustee or except as otherwise permitted by the Transaction Documents:

- (a) engage in any business or other activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that it will engage;
- (b) declare or pay any dividend or make any other distribution to its shareholders;
- (c) have any subsidiaries or any employees or own, rent, lease or be in possession of any buildings or equipment;
- (d) have its centre of main interests or conduct the management of its affairs in any Member State of the European Union other than Ireland, including holding any board meetings in any Member State of the European Union other than Ireland;
- (e) be resident in the United Kingdom for United Kingdom tax purposes (residence being determined in these circumstances by the location of the central management and control of the Issuer) or issue or account for the Notes through a permanent establishment in the United Kingdom or (ii) maintain, or carry on any business in the UK through, a branch, agency or other "permanent establishment" in the United Kingdom which is required to be registered at the Companies Registry pursuant to Part 34 of the Companies Act 2006;
- (f) incur or permit to subsist any indebtedness in respect of borrowed money otherwise than in respect of the Notes or give any guarantee or indemnity in respect of any indebtedness or assume any liability except for its reasonable expenses incurred in the ordinary course of its business;
- (g) sell, factor, discount, transfer, convey, assign, lend or otherwise dispose of any of its rights, title or interests in or to the Charged Assets or agree or purport to do so, other than in accordance with the Security Documents;
- (h) create or permit to exist upon or affect any of the Charged Assets, any mortgage, submortgage, assignment, charge, sub-charge, pledge, lien, hypothecation or other encumbrance or security interest whatsoever (other than the Security) or otherwise permit the validity or effectiveness of the Security Documents or the priority of any Security created thereby to be amended, terminated, postponed or discharged;
- (i) consolidate or merge with any other person or convey or transfer its properties or assets substantially in their entirety to any person or be acquired by any other entity;
- (j) amend or consent to the amendment of any Transaction Document or permit any person with obligations under any Transaction Document to be released from such obligations without the consent of the Note Trustee or where applicable Security Trustee;
- (k) issue any further shares to any other entity other than to the share trustees for the time being of it (or its nominees) or alter any rights to its shares in existence on the date hereof;
- (l) open or have an interest in any account whatsoever with any bank or other financial institution, save as permitted by the Transaction Documents (other than the account in which the paid up ordinary share capital of the Issuer and any Issuer Transaction Fee have been deposited);
- (m) purchase, subscribe for or otherwise acquire any shares (or other securities or any interest therein) in, or incorporate, any other company or agree to do any of the foregoing;

- (n) amend or alter its Constitution (save where required by applicable law and where such amendment does not adversely affect the ability of the Issuer to perform its obligations under the Notes or the other Transaction Documents or adversely affect the ability of the Note Trustee or the Security Trustee to enforce the Transaction Documents against the Issuer);
- (o) commingle its assets with those of any other person; or
- (p) allow or permit its ordinary shares to be held by a United States resident within the meaning of the United States Investment Company Act of 1940, as amended.

5. **Interest**

5.1 ***Period of Accrual***

Each Note bears interest on its Adjusted Principal Balance (as provided by the Issuer or the Transaction Administrator on its behalf) from (and including) the Closing Date. Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from its due date for redemption, unless, upon due presentation, payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue on its Adjusted Principal Balance thereon (before and after any decree or judgment) at the rate applicable to such Note up to (but excluding) the date on which, on presentation of such Note, payment in full of the relevant amount of principal is made or (if earlier) the day after notice is duly given by the Principal Paying Agent to the holder thereof (in accordance with Condition 20 (*Notice*)) that upon presentation thereof, such payment will be made, provided that upon such presentation, such payment is in fact made.

5.2 ***Note Payment Dates and Note Interest Periods***

Interest on the Notes is payable in arrear on each Note Payment Date in respect of the Note Interest Period ending immediately prior thereto.

A "**Note Interest Period**" means each period from (and including) a Note Payment Date to (but excluding) the next following Note Payment Date, provided that: (i) the initial Note Interest Period will commence on (and include) the Closing Date; and (ii) the final Note Interest Period will end on (but exclude) the Note Payment Date on which the Notes are finally redeemed in full in accordance with these Conditions and no further amounts are due or payable on the Notes.

5.3 ***Interest Rate on the Notes***

The rate of interest applicable to the Notes (the "**Interest Rate**") for each Note Interest Period will be determined by the Notes Calculation Agent on the following basis:

- (a) The Notes Calculation Agent will determine EURIBOR for deposits in Euro for a period equal to the Designated Maturity which appears on the Reuters Screen EURIBOR01 page or is determined by linear interpolation from the rates which appear on such page as of 11:00 a.m., London time on the Interest Determination Date for that Note Interest Period, provided that if the applicable EURIBOR is below zero, such EURIBOR will be deemed to be zero for that Note Interest Period;
- (b) if such rate does not appear on that page, the Notes Calculation Agent will:
 - (i) request that each of four major banks (each a "**Reference Bank**") (selected by the Notes Calculation Agent) in the Eurozone interbank market provide a quotation of the rate at which deposits in Euro are offered by it in the Eurozone interbank market at approximately 11.00 a.m. (London time) on the Interest Determination Date to prime banks in the Eurozone interbank market for a period equal to the Designated Maturity (and commencing on the first day of the relevant Note Interest Period) and in an amount that is representative for a single transaction in that market at that time;

- (ii) if at least two quotations are provided, determine the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point, 0.00005 per cent. being rounded upwards) of such quotations and determine EURIBOR for such Note Interest Period as being such arithmetic mean;
- (iii) if such rate does not appear on that page and if fewer than two such quotations are provided as requested, the Notes Calculation Agent will request further quotations from one or more major banks in the Eurozone interbank market (selected by the Notes Calculation Agent) at approximately 11.00 a.m. (London time) on the relevant Interest Determination Date, of the rate at which loans in Euro to leading Eurozone banks are made for a period equal to the Designated Maturity (commencing on the first day of the relevant Note Interest Period) and in an amount that is representative for a single transaction in that market at that time, and EURIBOR for such Note Interest Period shall be the rate or, as the case may be, the arithmetic mean of the rates (rounded, if necessary, as aforesaid) so determined; and
- (iv) if, however, the Notes Calculation Agent is unable to determine a rate or, as the case may be, an arithmetic mean in accordance with the above provisions in respect of any Note Interest Period, the EURIBOR during such Note Interest Period will be the EURIBOR, or, as the case may be, the arithmetic mean last determined in the immediately preceding Note Interest Period,

and provided that in respect of the first Note Interest Period, the Interest Rate shall be determined through the use of straight-line linear interpolation by reference to two rates, one of which shall be determined as if the Designated Maturity were 3 months and the other of which shall be determined as if the Designated Maturity were 6 months, in case determined in accordance with (i) – (iii) above.

5.4 ***Calculation of Interest Amount***

In respect of each Note Interest Period and in respect of all of the Notes, the "**Interest Amount**" shall be an amount equal to the sum of:

- (i) the amount calculated by applying the relevant Interest Rate for such Note Interest Period to the Adjusted Principal Balance of the Notes as of the first day of such Note Interest Period (after giving effect to any adjustment to the Adjusted Principal Balance on such date) and multiplying the product by the actual number of days in such Note Interest Period divided by 360; and
- (ii) the Fixed Amount in respect of the relevant Note Payment Date,

and rounding the resulting figure to the nearest EUR 0.01.

Where the Notes are in definitive form, the Interest Amount in respect of each Note shall be equal to the product of the Interest Amount (determined in the manner provided above) and a fraction equal to the Principal Balance of that Note *divided by* the aggregate Principal Balance of all the Notes.

5.5 ***Notification of Interest Amount***

The Notes Calculation Agent will, as soon as practicable after each Interest Determination Date in relation to each Note Interest Period, determine and notify the Issuer, the Note Trustee and the Principal Paying Agent and the Issuer will cause notice thereof to be given to the Noteholders in accordance with Condition 20 (*Notices*) of, in the case of all the Notes, (i) the Interest Rate applicable to the Note Interest Period commencing on or immediately after that Interest Determination Date in respect of the Notes, (ii) the Adjusted Principal Balance of the Notes, and (iii) the Interest Amount payable in respect of the Notes for such Note Interest Period.

5.6 ***Failure of Notes Calculation Agent***

If the Notes Calculation Agent fails at any time to determine an Interest Rate or to calculate an Interest Amount, the Note Trustee or its appointed agent, in each case without accepting any liability therefor, may determine such Interest Rate as it considers fair and reasonable in the circumstances (having such regard as it thinks fit to Conditions 5.3 (*Interest Rate on the Notes*) and 5.4 (*Calculation of Interest Amount*) above (as applicable)) or (as the case may be) calculate such Interest Amount, in accordance with Conditions 5.3 (*Interest Rate on the Notes*) and 5.4 (*Calculation of Interest Amount*) above (as applicable), and each such determination or calculation shall be deemed to have been made by the Notes Calculation Agent.

- 5.7 In doing so, the Note Trustee (or its appointed agent) shall apply all of these Conditions with any necessary consequential amendments to the extent that, in its sole opinion and with absolute discretion, it can do so and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all circumstances and will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof, and any such determination and/or calculation made by the Note Trustee shall, save in the case of manifest error, be final **and** binding on the Issuer and the Noteholders.

5.8 ***Notification to be Final***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5 (*Interest*), whether by the Reference Banks (or any of them), the Notes Calculation Agent or the Note Trustee shall (in the absence of manifest error) be binding on the Issuer and all Noteholders, the Reference Banks, the Notes Calculation Agent, the Note Trustee and, subject, in respect of the Note Trustee, to Condition 5.7 above, (in the absence of wilful default or gross negligence) no liability to any such person shall attach to the Issuer, the Reference Banks, the Notes Calculation Agent or the Note Trustee in connection with the exercise or non exercise by them or any of them of their powers, duties and discretions under this Condition 5 (*Interest*).

6. **Redemption, Reduction and Reimbursement**

6.1 ***Amortised Redemption***

If the Protected Tranche Amortisation Amount in respect of any Amortisation Date is greater than zero, then the Issuer shall, on the Note Payment Date corresponding to that Amortisation Date, subject to any prior ranking claims in accordance with the applicable Order of Priority, apply an amount equal to such Protected Tranche Amortisation Amount in or towards redemption of the Notes (together with any accrued but unpaid interest thereon).

6.2 ***Mandatory Redemption of the Notes on the Scheduled Redemption Date***

Subject to Condition 6.6 (*Redemption of the Notes during the Extension Period*), unless previously redeemed in full and cancelled as provided in this Condition 6 (*Redemption, Reduction and Reimbursement*), the Issuer shall redeem the Notes at their then aggregate Adjusted Principal Balance at that time together with accrued but unpaid interest on the Scheduled Redemption Date.

6.3 ***Final Maturity Date on the Notes***

Unless previously redeemed or repaid in full and cancelled as provided in this Condition 6 (*Redemption, Reduction and Reimbursement*), the Issuer shall redeem the Notes at their then aggregate Adjusted Principal Balance at that time together with accrued but unpaid interest on the Final Maturity Date.

The Issuer may not redeem Notes in whole or in part prior to that date, except as described in this Condition 6 (*Redemption, Reduction and Reimbursement*), but without prejudice to Condition 10 (*Events of Default and Acceleration*).

6.4 ***Mandatory Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date***

- (a) If a Swap Optional Early Termination Event occurs, provided that the Scheduled Redemption Date has not already occurred, the Swap Counterparty shall notify in writing the Notes Calculation Agent, the Note Trustee and the Transaction Administrator as soon as reasonably practicable after the occurrence of such Swap Optional Early Termination Event (and on which notification they will be entitled to rely without further investigation without liability), and shall have the right but not an obligation to designate a Swap Optional Early Termination Date on which the Credit Default Swap will terminate (by giving the Issuer not less than 30 Business Days' prior written notice in accordance with the terms of the Credit Default Swap).
- (b) Subject to Condition 6.6 (*Redemption of the Notes during the Extension Period*), if a Swap Acceleration Date or a Swap Optional Early Termination Date occurs prior to the Scheduled Redemption Date, the Issuer shall redeem the Notes then outstanding in whole but not in part on the Note Payment Date following the Swap Acceleration Date or Swap Optional Early Termination Date, as applicable, at their Adjusted Principal Balance at that time, together with any interest accrued to the date of redemption.
- (c) The Issuer shall give notice of such early redemption to Noteholders in accordance with Condition 20 (Notices) and to the Note Trustee, the Principal Paying Agent, the Issuer Account Bank, the Transaction Administrator and the Cash Deposit Bank as soon as practicable after the Issuer has, in the case of paragraph (a) above, received a notice in accordance with the terms of the Credit Default Swap designating a Swap Optional Early Termination Date or, in the case of paragraph (b) above, become aware of a Swap Acceleration Date or a Swap Optional Early Termination Date, as applicable.

6.5 ***Optional Redemption of the Notes in Whole for Tax Reasons***

Subject to Condition 6.6 (*Redemption of the Notes during the Extension Period*), the Issuer may, and shall if so directed by an Extraordinary Resolution of the Noteholders, in each case provided that it satisfies the Note Trustee that a Tax Redemption Event has occurred, by giving not less than 30 calendar days' and not more than 45 calendar days' notice to the Noteholders (which notice will be irrevocable) designate a Note Payment Date as a redemption date (the "**Tax Redemption Date**"). On the Tax Redemption Date, the Issuer shall allocate and apply amounts in or towards redemption of the Notes at their Adjusted Principal Balance at that time (together with any accrued but unpaid interest thereon).

A "**Tax Redemption Event**" shall occur if:

- (a) In respect of the Issuer, any of the following events occurs:
 - (i) the Issuer determines that it has, or there is a substantial likelihood that it will, within 90 calendar days of the date of determination (such determination being made by the Issuer relying on an opinion of independent legal or tax advisers, as described below), become obliged to withhold or deduct an amount in respect of any Tax from any payment of principal of, interest on, or any other amount payable in respect of, the Notes as a result of any change in, or amendment to the laws or regulations of its jurisdiction of incorporation or any political subdivision or any authority thereof or therein having power to tax or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction);
 - (ii) the Issuer determines that it has, or there is a substantial likelihood that it will, within 90 calendar days of the date of determination (such determination being made by the Issuer relying on an opinion of independent legal advisers, as described below), become subject to any circumstance or to a tax charge (whether by direct assessment or by withholding at source), regulatory imposition, or other imposition which would materially increase the costs to it of complying with its obligations under the Note Trust Deed or under the Notes

or materially increase the operating or administrative expenses of the Issuer or the trust under which the shares in the Issuer are held or reduce the amount of any sums received or receivable by the Issuer or otherwise oblige the Issuer to make any payment on, or calculated by reference to, the amount of any sum received or receivable by the Note Trustee on behalf of the Issuer as contemplated in the Note Trust Deed or the Security Trust Deed, as the case may be; or

- (iii) a Swap Tax Event occurs in respect of the Issuer under the Credit Default Swap; and
- (b) in the case where any of the events described in Condition 6.5(a)(i) to (iii) has occurred, the Issuer determines that any obligation, imposition, withholding or deduction incurred as a result of such event cannot be avoided by the Issuer taking reasonable measures available to it (without incurring additional cost),

provided that no Tax Redemption Event shall occur where the Swap Counterparty has provided the Issuer with funds sufficient to cover such obligation, imposition, withholding or deduction.

Prior to the publication of any notice designating a Tax Redemption Date pursuant to this Condition 6 (*Redemption, Reduction and Reimbursement*), the Issuer shall deliver to the Note Trustee in form and substance satisfactory to the Note Trustee, (a) an opinion of independent legal or tax advisers of recognised standing to the effect that the relevant Tax Redemption Event applies as of the date of such opinion or will apply within 90 calendar days of the date of such opinion and (b) in respect of any of the events described in Condition 6.5(a)(i) to (iii) only, a Tax Certificate. The Note Trustee shall accept such opinion and Tax Certificate without liability or further enquiry (but may accept other evidence in lieu thereof, which in its sole opinion is satisfactory to the Note Trustee) as sufficient evidence of the existence of a Tax Redemption Event, in which event it shall be conclusive and binding on the Noteholders.

6.6 ***Redemption of the Notes during the Extension Period***

If upon the earliest to occur of (i) the Scheduled Redemption Date and (ii) any Early Redemption Date (the "**Note Extension Date**"), there are Unsettled Reference Obligations, a portion of the Notes (the "**Note Extension Amount**") shall remain outstanding in respect of such Unsettled Reference Obligations pending:

- (a) the date on which it is no longer possible for the Conditions to Settlement to be satisfied in respect of any Unsettled Reference Obligation in respect of which the Conditions to Settlement were not satisfied on the Note Extension Date; and
- (b) the date on which the Final Loss Amount has been confirmed by the Verification Agent in respect of all Defaulted Reference Obligations (including any Unsettled Reference Obligations in respect of which a Credit Event Notice had been delivered on or prior to the Note Extension Date but in respect of which the Conditions to Settlement were satisfied following the Note Extension Date).

The Note Extension Amount on any date shall be equal to:

- (a) the aggregate of the Defaulted Notional Amounts of each Unsettled Reference Obligation on that date (or the amount which would be the Defaulted Notional Amount in respect of that Unsettled Reference Obligation if it was a Defaulted Reference Obligation); *minus*
- (b) the sum of all Initial Loss Amounts which have been determined in respect of each such Unsettled Reference Obligation as at that date ; *minus*
- (c) the Remaining Threshold Amount as at that date.

The Note Extension Amount shall be calculated by the Notes Calculation Agent as of (and as soon as practicable following) the Note Extension Date and thereafter on each Observation Date during the Extension Period which immediately precedes a Note Payment Date (each such date

on which the Note Extension Amount is calculated, a "**Note Extension Amount Calculation Date**").

Any Notes remaining outstanding during the Extension Period shall continue to bear interest on the then Adjusted Principal Balance of such Notes in accordance with Condition 5 (*Interest*).

On each Note Payment Date immediately following a Note Extension Amount Calculation Date, the Issuer shall redeem the Notes in part at their Extension Period Redemption Amount at that time, where "**Extension Period Redemption Amount**" means, in respect of a Note Extension Amount Calculation Date, an amount equal to:

- (a) the Adjusted Principal Balance of the Notes, as of such Note Payment Date, following any adjustment to the Adjusted Principal Balance of the Notes on that Note Payment Date in accordance with Condition 6.7 (*Reduction and Reinstatement of the Adjusted Principal Balance of the Notes*); minus
- (b) the Note Extension Amount calculated as of such immediately preceding Note Extension Amount Calculation Date.

6.7 ***Reduction and Reinstatement of the Adjusted Principal Balance of the Notes***

On each Note Payment Date, the Adjusted Principal Balance of the Notes shall be reduced by an amount equal to the Cash Settlement Amount (if any) determined by the Swap Calculation Agent and notified to the Transaction Administrator in respect of that Note Payment Date, provided that, the Adjusted Principal Balance of the Notes shall not be reduced below zero.

If, in respect of any Note Payment Date, a Cash Settlement Reimbursement Amount is determined by the Swap Calculation Agent and notified to the Transaction Administrator, then, on that Note Payment Date, an amount equal to such Cash Settlement Reimbursement Amount shall be applied to reinstate the Adjusted Principal Balance of the Notes (the "**Reinstatement Amount**"), provided that, the Adjusted Principal Balance of the Notes shall not be greater than the Principal Balance of the Notes.

6.8 ***Note Principal Payment***

The principal amount (the "**Note Principal Payment**") which is required to be repaid in respect of each Note on any Note Payment Date under this Condition 6 (*Redemption, Reduction and Reimbursement*) shall be that Note's pro rata share of the aggregate amount required to be applied in redemption of the Notes on such Note Payment Date under this Condition 6 (*Redemption, Reduction and Reimbursement*), provided that no Note Principal Payment may exceed the Principal Balance of the related Note.

6.9 ***Calculation of Note Principal Payments, Principal Balance and Adjusted Principal Balance***

In respect of each Observation Date, the Issuer (or the Transaction Administrator on its behalf) shall determine or shall cause to be determined:

- (a) if there is to be a redemption (in whole or in part) of the Notes pursuant to this Condition 6 (*Redemption, Reduction and Reimbursement*), the amount of any Note Principal Payment due in respect of each Note on the Note Payment Date immediately following such Observation Date;
- (b) the Principal Balance of each Note on such Note Payment Date (after deducting any Note Principal Payment to be paid on that Note Payment Date); and
- (c) the Adjusted Principal Balance of each Note on such Note Payment Date.

Each determination by the Issuer (or the Transaction Administrator on its behalf) of any Note Principal Payment, the Principal Balance and the Adjusted Principal Balance of a Note shall in each case (in the absence of manifest error) be final and binding on all persons.

The Issuer (or the Transaction Administrator on its behalf) will cause each determination of a Note Principal Payment, Principal Balance and Adjusted Principal Balance to be notified in writing forthwith to the Note Trustee, the Principal Paying Agent and, for so long as the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, the Irish Stock Exchange, and will cause notice of each determination of a Note Principal Payment, Principal Balance and Adjusted Principal Balance relating to the Notes to be given to the Noteholders in accordance with Condition 20 (*Notices*) by no later than the day which is three Business Days prior to the Note Payment Date immediately following the Observation Date on which such calculations are made.

If the Issuer or the Transaction Administrator on behalf of the Issuer does not at any time for any reason determine a Note Principal Payment, Principal Balance or Adjusted Principal Balance in accordance with the preceding provisions of this Condition 6.9 (*Calculation of Note Principal Payments, Principal Balance and Adjusted Principal Balance*), such amounts may be determined by the Note Trustee (but without the Note Trustee being liable for any loss, liability, cost, charge or expense which may arise as a result thereof) (or an agent of its behalf), in accordance with this Condition 6.9 (*Calculation of Note Principal Payments, Principal Balance and Adjusted Principal Balance*), and each such determination or calculation shall be conclusive and binding on all persons and shall be deemed to have been made by the Issuer or the Transaction Administrator, as the case may be.

6.10 ***Notice of Redemption***

Any such notice of redemption given by the Issuer in connection with a redemption described in this Condition 6 (*Redemption, Reduction and Reimbursement*) shall be irrevocable. Upon the expiration of such notice, the Issuer will be bound to redeem the Notes in the amounts specified in these Conditions.

7. **Allocation of Collections**

Pursuant to the Security Trust Deed, the Issuer or, in the case of Condition 7.3 (Proceeds on Enforcement), the Security Trustee, shall apply or cause to be applied funds standing to the credit of the Accounts in the following manner:

7.1 ***Application of Interest Collections***

- (a) On each Note Payment Date falling before the Security Enforcement Date (or, in the case of paragraph (iv) below, only on the Note Payment Dates specified therein), the Issuer shall apply, or cause to be applied, the Interest Collections for such Note Payment Date as follows:
 - (i) *first*, to pay or provide for payment to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses (excluding Exceptional Expenses) due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;
 - (ii) *second*, to pay or provide for payment to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses constituting Exceptional Expenses due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;
 - (iii) *third*, to pay or provide for payment to the Transaction Creditors, on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;
 - (iv) *fourth*, to pay or provide for payment to the Operating Creditors (excluding the Transaction Creditors), on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;

- (v) *fifth*, to pay (but only on one Note Payment Date in each year, being the first Note Payment Date in each calendar year) to the Issuer for its own account (as profit in connection with the Notes transaction) the Issuer Transaction Fee;
 - (vi) *sixth*, to pay any accrued and unpaid interest on the Notes due on such Note Payment Date; and
 - (vii) *seventh*, on the Final Note Payment Date only, to pay any remaining balance of the Interest Collections Account into the Principal Collections Account.
- (b) On any other date prior to the Security Enforcement Date, the Issuer will apply, or cause to be applied, the funds standing to the credit of the Interest Collections Account, to pay, in the Pre-enforcement Order of Priority, to the Security Trustee, the Note Trustee and any relevant Operating Creditors any unpaid Budgeted Expenses determined as of the immediately preceding Note Payment Date which are payable to such party and which have not previously been paid out of the Interest Collections Account.

7.2 ***Application of Principal Collections***

On each Note Payment Date falling before the Security Enforcement Date, the Issuer shall apply, or cause to be applied, the Principal Collections for such Note Payment Date as follows:

- (a) *first*, to pay to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses (excluding Exceptional Expenses) due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (b) *second*, to pay to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses constituting Exceptional Expenses due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (c) *third*, to pay to the Transaction Creditors, on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (d) *fourth*, to pay to the Operating Creditors (excluding the Transaction Creditors), on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (e) *fifth*, to pay to the Swap Counterparty each Cash Settlement Amount due on each Fixed Rate Payer Payment Date;
- (f) *sixth*, to make payments of principal due on, and reduce the Adjusted Principal Balance (after giving effect to the allocation of any Cash Settlement Amounts or Cash Settlement Reimbursement Amounts, if any, on each Fixed Rate Payer Payment Date or in the preceding Interest Period) of, the Notes; and
- (g) *seventh*, on the Final Note Payment Date only, to pay the balance of the Principal Collections Account to the Issuer.

7.3 ***Proceeds on Enforcement***

- (a) On or after the Security Enforcement Date, the Security Trustee shall (subject to any applicable laws including laws of bankruptcy, insolvency, liquidation or other laws affecting creditors' rights generally) apply or cause to be applied the proceeds of realisation of the Charged Assets in the order of priority (the "**Enforcement Order of Priority**") set forth below:
 - (i) *first*, to pay or provide for, in no order of priority, *inter se*, but *pro rata* to the respective amounts payable under the provisions of the Security Trust Deed, the Note Trust Deed and the other Transaction Documents by way of remuneration and/or indemnification or which are otherwise payable by the Issuer to the

Security Trustee and the Note Trustee and/or any Receiver appointed pursuant to the Security Documents or the Note Trust Deed, their respective Expenses;

- (ii) *second*, to pay, or provide for on a *pari passu* basis and *pro rata* to the respective amounts payable to the Transaction Creditors their respective Expenses payable and not previously paid;
- (iii) *third*, to pay, or provide for on a *pari passu* basis and *pro rata* to the respective amounts payable to the Operating Creditors (excluding the Transaction Creditors) their respective Expenses payable and not previously paid;
- (iv) *fourth*, to pay or provide for amounts payable to the Swap Counterparty, in respect of the Issuer's obligations to the Swap Counterparty under the Credit Default Swap;
- (v) *fifth*, to pay, in respect of the Notes, firstly, all amounts of interest then due and payable in respect of the Adjusted Principal Balance of the Notes and, secondly, all amounts of principal then due and payable in respect of the Principal Balance of the Notes; and
- (vi) *sixth*, to pay the balance, if any, to the Issuer.

8. **Payments**

8.1 ***Principal***

Payments of principal shall be made by Euro cheque drawn on, or upon application by a Holder of a Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a Euro account maintained by the payee with, a bank in Dublin upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the Specified Office of any Paying Agent.

8.2 ***Interest***

Payments of interest shall be made by Euro cheque drawn on, or upon application by a Holder of a Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to a Euro account maintained by the payee with, a bank in Dublin and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Individual Note Certificates at the Specified Office of any Paying Agent.

8.3 ***Payments subject to fiscal laws***

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations to which the Issuer is or agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements, but without prejudice to the provisions of Condition 9 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

8.4 ***Payments on Business Days***

Where payment is to be made by transfer to a Euro account, payment instructions (for value on the due date, or, if the due date is not a business day, for value on the following business day) will be initiated and, where payment is to be made by Euro cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Individual Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a business day or (B) a cheque mailed in accordance with this Condition 8 (*Payments*) arriving after the due date for payment or being lost in the mail. In this Condition, "**business day**" means any TARGET Day

on which banks are open for general business (including dealings in foreign currencies) in Dublin and London and, in the case of surrender (or, in the case of part payment only, endorsement) of an Individual Note Certificate, in the place in which the Individual Note Certificate is surrendered (or, as the case may be, endorsed).

8.5 ***Partial payments***

If a Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of an Individual Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Individual Note Certificate.

8.6 ***Record date***

Each payment in respect of a Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

9. **Taxation**

- (a) All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges ("**Taxes**" and each, a "**Tax**") of whatsoever nature imposed, levied, collected, withheld or assessed by any applicable jurisdiction or any political subdivision thereof or any authority thereof or therein having power to tax, unless such withholding or deduction is required by any applicable law or pursuant to any agreement between the Issuer and any applicable jurisdiction or any political subdivision thereof or any authority thereof or therein having the power to tax. In that event, the Issuer shall make such payments after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor any Paying Agent will be obliged to pay any additional amounts to the Noteholders in respect of such withholding or deduction.

However, in that event, **provided that** the Issuer has been specifically provided with funds by the Swap Counterparty (at the option of the Swap Counterparty) for such purpose, the Issuer will pay such additional amounts ("**Additional Amounts**") as will result in the receipt by the Noteholders of such amounts as would have been received by them if no such withholding or deduction had become required, except that no Additional Amounts will be payable in respect of any Notes:

- (i) held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of it having some connection with the relevant jurisdiction other than the mere holding of such Note; or
 - (ii) where (in the case of a payment of principal or interest on redemption) the relevant Individual Note Certificate is surrendered for payment more than 30 days after the Note Relevant Date except to the extent that the relevant Holder would have been entitled to such additional amounts if it had surrendered the relevant Individual Note Certificate on the last day of such period of 30 days; or
 - (iii) where (in the case of a payment of principal or interest on redemption) the relevant Individual Note Certificate is surrendered for payment by a Holder who would have been able to avoid such withholding or deduction by surrendering the relevant Note Certificate to another Paying Agent in a Member State of the European Union.
- (b) In the event that the Issuer is required or would, if provided with funds, be required to pay any Additional Amounts to Noteholders, and the Swap Counterparty has elected to

terminate the Credit Default Swap or has failed to pay any Additional Amount which it has elected to pay under the Credit Default Swap or has elected not to provide funds to the Issuer in respect of any Tax incurred by it or for any Additional Amount which the Issuer would, if it were so funded, be obliged to pay to Noteholders under this Condition 9 (*Taxation*), the Notes may be redeemed in accordance with Condition 6.5 (*Optional Redemption of the Notes in Whole for Tax Reasons*).

- (c) Any reference in these Conditions to principal or interest will be deemed to include any Additional Amounts in respect of principal or interest (as the case may be) which may be payable (subject to the discretion of the Swap Counterparty electing to fund such payments) under this Condition 9 (*Taxation*).
- (d) Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts required by Sections 1471 through 1474 (inclusive) of the Internal Revenue Code of 1986, as amended, any current or future regulations or official interpretations thereof, any agreement entered into thereunder, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation thereof ("**FATCA**"). None of the Issuer, the Note Trustee, the Security Trustee or any Agent will have any obligation to pay additional amounts or otherwise indemnify a holder for any amount deducted or withheld on account of FATCA by the Issuer, a Paying Agent or any other party as a result of any person not being entitled to receive payments free of withholding on account of FATCA.

10. **Note Events of Default and Acceleration**

10.1 ***Note Events of Default***

Each and any of the following events shall be treated as a "**Note Event of Default**":

- (a) *Non Payment*: default is made in the payment of any principal or interest in respect of the Notes when due in accordance with these Conditions and such default continues for a period of 15 Business Days;
- (b) *Breach of Other Obligations*: default is made by the Issuer in the performance or observance of any other obligation, Condition, provision, representation or warranty binding upon or made by it under the Notes or the Transaction Documents (other than any obligation whose breach would give rise to the Note Event of Default provided for in Condition 10.1(a) (*Note Events of Default – Non Payment*)), including failure by the Issuer to appoint a substitute Issuer Account Bank or Cash Deposit Bank, as applicable, in accordance with clause 13.6(c) (*Termination Effective Upon*) of the Issuer Account Bank Agreement or of the Cash Deposit Agreement, as applicable, and except where, in the opinion of the Note Trustee, such default is not capable of remedy, such default continues unremedied for a period of 30 calendar days (or such longer period as the Note Trustee may permit) after written notice by the Note Trustee to the Issuer requiring the same to be remedied;
- (c) *Insolvency, etc*: (i) a receiver, administrator, bankruptcy official or liquidator or similar officer in respect of the Issuer or the whole or any part of the undertaking, assets or revenues of the Issuer is appointed (or application for any such appointment is made, and such application is not dismissed within 30 days) or an encumbrancer shall take possession of the whole or any substantial part of the assets or revenues of the Issuer, (ii) an order is made by a competent court for any imposition of any applicable bankruptcy, suspension of payments, liquidation, administration, insolvency, composition, reorganisation or other similar laws in respect of the Issuer or for the appointment of an examiner (including an interim examiner) in respect of the Issuer (each an "**Insolvency Proceeding**" and together the "**Insolvency Proceedings**"), (iii) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or seeks the appointment of an examiner with

respect to it, or (iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business except for the purposes of, or pursuant to, an amalgamation or reconstruction as is referred to in Condition 10.1(e) (*Note Events of Default – Winding-up, etc*) below;

- (d) *Cash Deposit Bank Security Enforcement Event*: a Cash Deposit Bank Security Enforcement Event; or
- (e) *Winding up, etc*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction, the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders.

10.2 ***Delivery of Note Enforcement Notice***

If a Note Event of Default occurs and is continuing, the Note Trustee may at its discretion and shall:

- (a) if so requested in writing by the holders of at least 25 per cent. of the Adjusted Principal Balance of the Notes then outstanding; or
- (b) if so directed by an Extraordinary Resolution of the Noteholders,

deliver a Note Enforcement Notice to the Security Trustee, the Issuer, the Principal Paying Agent, the Cash Deposit Bank, the Issuer Account Bank, the Transaction Administrator and the Cash Deposit Bank.

10.3 ***Conditions to Delivery of Note Enforcement Notice***

Notwithstanding Condition 10.2 (*Delivery of Note Enforcement Notice*), the Note Trustee:

- (a) shall not deliver a Note Enforcement Notice unless, in the case of the occurrence of any of the events mentioned in Condition 10.1(b) (*Note Events of Default - Breach of Other Obligations*), the Note Trustee shall have certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the Noteholders; and
- (b) shall not be obliged to deliver a Note Enforcement Notice unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

10.4 ***Consequence of Notes becoming Due and Payable and Delivery of Note Enforcement Notice***

Upon the delivery of a Note Enforcement Notice, all of the Notes then outstanding shall, subject to Condition 6.6 (*Redemption of the Notes during the Extension Period*), become immediately due and repayable at their then Adjusted Principal Balance at that time together with accrued interest as provided in the Note Trust Deed and the Security shall become enforceable by the Security Trustee in accordance with the Security Documents on the Security Enforcement Date.

11. **Prescription**

Claims for principal and interest on redemption shall become void unless the relevant Individual Note Certificates are surrendered for payment within ten years of the appropriate Note Relevant Date.

12. **Replacement of Individual Note Certificates**

If any Individual Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Individual Note Certificates must be surrendered before replacements will be issued.

13. **Note Trustee, Security Trustee and Agents**

13.1 ***Indemnification of the Note Trustee and the Security Trustee***

Under the Note Trust Deed and the Security Trust Deed, each of the Note Trustee and the Security Trustee are entitled to be indemnified and/or secured and/or prefunded to its satisfaction and relieved from responsibility in certain circumstances and to be paid its remuneration, costs and expenses in priority to the claims of the Noteholders and the other Secured Parties.

13.2 ***Note Trustee's and Security Trustee's consideration of interests***

Subject to the Note Trust Deed, the Note Trustee is required in connection with the exercise of its powers, trusts, authorities, duties and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution) to have regard to the interests of all the Noteholders as a class and, in particular but without prejudice to the generality of the foregoing, the Note Trustee will not have regard to, or be in any way liable for, the consequences of such exercise for individual holders of Notes resulting from their being for any purposes domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. In connection with any such exercise, no holder of a Note will be entitled to claim (via the Note Trustee or otherwise), from the Issuer or any other person, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.

Subject to the provisions of the Security Trust Deed, in connection with the exercise by it of any of its powers, trusts, authorities, duties and discretions under the Security Trust Deed (including, without limitation, any modification, waiver, authorisation, determination or substitution), while any amounts are or may become due by the Issuer to the Swap Counterparty under the Credit Default Swap, the Security Trustee is required to have regard first, to the interests of the Swap Counterparty (for so long as the Swap Counterparty is the Instructing Party), second, to the interests of the Noteholders and finally, to the interests of the other Secured Parties. To the extent the Security Trustee is required to have regard to the interests of the Noteholders, it shall be entitled to rely on a direction of the Note Trustee in connection therewith.

13.3 ***Trustees entitled to assume***

As more fully set out in the Note Trust Deed and the Security Trust Deed, the Note Trustee and the Security Trustee will each be entitled in considering, for the purposes of exercising any power, trust, authority, duty or discretion (including, without limitation, any modification, waiver, authorisation, determination or substitution) under or in relation to these Conditions or any other Transaction Document, whether such exercise would be materially prejudicial to the interests of any Noteholders or, as the case may be, the Secured Parties, to consider such factors as it, in its discretion, considers relevant. The Note Trustee or, as the case may be, the Security Trustee may in its sole discretion obtain advice from a financial (or other) advisor satisfactory to the Note Trustee or, as the case may be, the Security Trustee, prior to the exercise by the Note Trustee or, as the case may be, the Security Trustee, in any particular circumstance of any such power, trust, authority, duty or discretion.

13.4 ***Trustees not liable to account***

As more fully set out in the Note Trust Deed and the Security Trust Deed, each of the Note Trustee and the Security Trustee are not precluded from making any contracts or entering into any transactions in the ordinary course of business with, among others, the Issuer or any other party to the Transaction Documents and neither the Note Trustee nor the Security Trustee shall be accountable to, among others, the Noteholders, the Issuer or any other party to the Transaction Documents for, among other things, any profit arising or resulting from any such contracts or transactions.

13.5 ***Security Trustee not liable with respect to the Charged Assets***

As more fully set out in the Security Trust Deed, the Security Trustee shall not be:

- (a) under any obligation to insure any of the Security or any deeds or documents of title or other evidence in respect of the Security or to require any other person to maintain any

such insurance or monitor the adequacy of any such insurance and shall not be responsible for any Liability which may be suffered as a result of the lack of or inadequacy of any such insurance, and is not liable with respect to any loss, theft or reduction in value with respect to the Charged Assets; or

- (b) liable to any Secured Party or other person for any failure to make or to cause to be made on its behalf the searches, investigations and enquiries which would normally be made by a prudent chargee in relation to the Charged Assets and shall not be responsible for any claim arising from the fact that any of the Charged Assets are held in safe custody by the Custodian or held in a clearing system.

13.6 ***Trustees not liable for Transaction Documents or Transaction Parties***

Neither the Note Trustee nor the Security Trustee shall be:

- (a) responsible for:
 - (i) any recitals, statements, representations, warranties of any person contained in the Note Trust Deed, the Notes, any other Transaction Document or any document relating to the Security or other documents entered into in connection therewith;
 - (ii) the validity, sufficiency of either the whole or any part of the Note Trust Deed or the other Transaction Documents;
 - (iii) the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of the Note Trust Deed or the other Transaction Documents or any document relating thereto or any Security constituted thereby; or
 - (iv) the accuracy and/or completeness of any information supplied to it by the Issuer or any other person in connection with, or for the legality, validity, effectiveness, adequacy or enforceability of any documents, certificates, reports and accounts relating thereto or the nature, status, creditworthiness or solvency of the Issuer or any other party to any of the Transaction Documents and shall not (save as otherwise provided in the Note Trust Deed or, as the case may be, the Security Trust Deed) be liable or responsible for any losses to any person, howsoever caused, as a result of taking or omitting to take any action whatsoever in relation to any such documents, or otherwise;
- (b) obliged to monitor or supervise the functions of any other person under the Note Trust Deed or, as the case may be, the Security Trust Deed or any other Transaction Document and each of the Note Trustee and the Security Trustee shall be entitled, in the absence of express notice of a breach of obligation, to assume that each other such person is properly performing its obligations; or
- (c) under any obligation to monitor, verify or make any determination or have any Liability to any Noteholder, or, as the case may be, any Secured Party, or other person with respect to the Credit Default Swap, any list of Reference Entities in respect thereof, the occurrence or type of any Credit Event, any amount determined pursuant to any valuation procedure thereunder, or any Cash Settlement Amount payable thereunder.

13.7 ***Role of Agents***

- (a) In acting under the Agency Agreement and in connection with the Notes, the Principal Paying Agent and other Agents act solely as agents of the Issuer and (to the extent provided therein) the Trustees and will not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.
- (b) The initial Principal Paying Agent and its initial Specified Offices are as stated in the Agency Agreement.

- (c) Subject to Condition 13.7(e) (*Role of Agents*) below, the Issuer may, with the prior written approval of the Note Trustee, terminate the appointment of any Agent at any time and/or appoint a successor principal paying agent or registrar or, as the case may be, additional or successor paying agents and transfer agents in accordance with the Agency Agreement.
- (d) Subject to Condition 13.7(e) (*Role of Agents*) below, all or any of the Agents may resign their respective appointments at any time in accordance with the Agency Agreement.
- (e) So long as any of the Notes are outstanding, any appointment, variation, resignation or termination pursuant to Conditions 13.7(c) or (d) (*Role of Agents*) shall not be effective unless upon the expiry of the relevant notice required to be given under the Agency Agreement there is:
 - (i) a Principal Paying Agent;
 - (ii) a Notes Calculation Agent; and
 - (iii) a Registrar.
- (f) Notice of any change in any of the Agents or in the Specified Office of any Paying Agent will promptly be given to the Noteholders in accordance with Condition 20 (*Notices*).

14. **Meetings of Noteholders**

The Note Trust Deed contains provisions for convening Meetings of Noteholders to consider matters relating to such Notes, including, without limitation, the modification of any provision of these Conditions or the Note Trust Deed affecting such Notes. Subject as provided in the Note Trust Deed, any such modification may be made if sanctioned by an Extraordinary Resolution of the Noteholders.

14.1 ***Extraordinary Resolution***

- (a) The majority required to pass an Extraordinary Resolution of the Noteholders is not less than three quarters of the votes cast at such Meeting.
- (b) Such a Meeting may be convened by the Issuer or by the Note Trustee at any time and shall be convened by the Note Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders holding not less than one-tenth of the aggregate Principal Balance of the outstanding Notes.

14.2 ***Quorum***

- (a) The quorum at any Meeting convened to vote on an Extraordinary Resolution will be two or more Voters holding or representing more than two-thirds of the aggregate Adjusted Principal Balance of the outstanding Notes or, at any adjourned meeting (adjourned for want of a quorum), two or more Voters holding or representing holders of the Notes whatever the principal amount of the Notes held or represented by him or them actually present at the Meeting; **provided that** certain proposals, including:
 - (i) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable (other than in accordance with these Conditions) on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment;
 - (ii) to change the currency in which amounts due in respect of any Notes are payable;
 - (iii) to change the quorum requirements at any Meeting or the majority required to pass an Extraordinary Resolution;

- (iv) to release or substitute the Security or any part thereof except in accordance with the Transaction Documents;
- (v) to effect the exchange, conversion or substitution of any Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (vi) to amend the Order of Priority; or
- (vii) to amend the definition of "**Reserved Matter**",

(each, a "**Reserved Matter**") may only be sanctioned by an Extraordinary Resolution passed at a Meeting of the holders of the Notes at which one or more Voters holding or representing more than three-quarters or, at any adjourned Meeting (adjourned for want of a quorum), one-quarter of the aggregate Adjusted Principal Balance of the outstanding Notes form a quorum.

- (b) Any resolution (extraordinary or otherwise) passed at a Meeting of the Noteholders shall be binding upon all Noteholders, whether or not present at such Meeting, and each of the Noteholders shall be bound by it accordingly.
- (c) A resolution in writing signed by or on behalf of the holders of not less than three-quarters of the Adjusted Principal Balance of the Notes for the time being outstanding will take effect as if it were an Extraordinary Resolution of the Noteholders. Such a resolution in writing may be contained in a document or several documents in the same form, each signed by or on behalf of one or more of the holders of the Notes and shall take effect on the final such signature.
- (d) Consent given by way of electronic consents through the relevant Clearing System(s) (in a form satisfactory to the Note Trustee) by or on behalf of the holders of not less than three-quarters of the Adjusted Principal Balance of the Notes for the time being outstanding will take effect as if it were an Extraordinary Resolution of the Noteholders.
- (e) Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer when the Meeting is convened by the Note Trustee or, where the relevant Meeting was convened by the Issuer and the Note Trustee) within 14 calendar days of the conclusion of the Meeting.

14.3 **Definition of "outstanding"**

For the purposes of the right of Noteholders to vote (including, without limitation, the related right to attend any meeting) and the passing of any resolutions, in each case, those Notes (if any) which are for the time being held by the Issuer or the Swap Counterparty or its Affiliates shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

15. **Modification and Waiver**

15.1 **Note Trustee**

The Note Trustee may, with the prior written consent of the Instructing Party (for so long as it is the Swap Counterparty), (and may direct the Security Trustee to), without the consent of the Noteholders or any other Secured Party and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time:

- (a) authorise or waive any proposed breach or breach of any of the covenants or provisions contained in these Conditions or in any Transaction Document or determine that any Event of Default shall not be treated as an Event of Default for the purposes of these Conditions, if and in so far as in its opinion the interests of the Noteholders will not be materially prejudiced thereby; or
- (b) agree to any modification of these Conditions or any Transaction Document if:
 - (1) (other than in respect of a Reserved Matter) in the sole opinion of the Note Trustee,

such modification will not be materially prejudicial to the interests of any Noteholders; or (2) in the sole opinion of the Note Trustee, such modification is of a formal, minor or technical nature or is to correct a manifest error.

15.2 ***Notification***

Any such authorisation, waiver or modification shall be made on terms and subject to such conditions as may seem fit and proper to the Note Trustee and shall be binding on the Noteholders and, the Issuer shall cause such modification to be notified to the relevant Noteholders in accordance with these Conditions as soon as practicable thereafter unless the Note Trustee agrees otherwise. If making any such notification to the relevant Noteholders, the Issuer shall in addition cause such modification to be notified to each stock exchange, competent listing authority, quotation system and/or regulated market (if any and if so required by the rules thereof) on which or by which the Notes are then listed, quoted and/or traded.

15.3 ***Security Trustee***

Subject as provided in the Security Trust Deed, the Security Trustee shall, without the consent of any Secured Party and without prejudice to its rights in respect of any subsequent breach, condition, event or act, from time to time and at any time, but only if so directed by the Note Trustee with the prior written consent of the Instructing Party (for so long as it is the Swap Counterparty):

- (a) authorise or waive any proposed breach or breach of any of the covenants or provisions contained in the Security Trust Deed or in any other Transaction Document; or
- (b) concur with the Issuer and any other party to the Transaction Documents in making any modification to the Conditions, the Security Trust Deed, or any other Transaction Documents.

15.4 ***Binding***

Any such authorisation, waiver or modification shall be made on terms and subject to such conditions as may seem fit and proper to the Note Trustee with respect to such modification, waiver or authorisation and shall be binding on the Secured Parties.

15.5 ***Additional Right of Modification***

- (a) Notwithstanding the preceding provisions of this Condition 15 (*Modification and Waiver*), the Note Trustee shall be obliged (subject to the prior written consent of the Instructing Party (for so long as it is the Swap Counterparty)), without any consent or sanction of the Noteholders, or, subject to paragraph (a)(C) below, any of the other Secured Parties, to concur (and to direct the Security Trustee to concur, upon which the Security Trustee shall be obliged to concur) with the Issuer in making any modification (other than in respect of a Reserved Matter) to these Conditions or any other Transaction Document to which it is a party or in relation to which the Security Trustee holds security that the Issuer considers necessary:
 - (i) for the purpose of enabling the Notes to be (or to remain) listed on any stock exchange, competent listing authority and/or quotation system and/or regulated market on which or by which the Notes are then listed, quoted and/or traded in respect of the listing of the Notes from time to time, provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; or
 - (ii) for the purposes of enabling the Issuer to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer certifies to the Note Trustee and the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect,

(the certificate to be provided by the Issuer, pursuant to paragraphs (i) and (ii) above being a "**Modification Certificate**"), provided that:

- (A) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Note Trustee and the Security Trustee;
 - (B) the Modification Certificate in relation to such modification shall be provided to the Note Trustee and the Security Trustee both at the time the Note Trustee and the Security Trustee are notified of the proposed modification and on the date that such modification takes effect;
 - (C) the consent of each Secured Party which is party to the relevant Transaction Document has been obtained.
- (b) Other than where specifically provided in this Condition 15.5 (*Additional Right of Modification*) or any Transaction Document:
 - (i) when implementing any modification pursuant to this Condition 15.5 (*Additional Right of Modification*) (save to the extent that the Note Trustee or the Security Trustee, as applicable, considers that the proposed modification would constitute a Reserved Matter) neither the Note Trustee nor the Security Trustee shall consider the interests of the Noteholders, any other Secured Party or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer pursuant to this Condition 15.5 (*Additional Right of Modification*) and shall not be liable to the Noteholders, any other Secured Party or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
 - (ii) the Note Trustee and the Security Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Note Trustee or the Security Trustee, as applicable, would have the effect of (x) exposing the Note Trustee or Security Trustee, as applicable, to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (y) increasing the obligations or duties, or decreasing the rights or protection, of the Note Trustee or the Security Trustee, as applicable, in the Transaction Documents and/or these Conditions.
- (c) Any such modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:
 - (i) the Secured Parties; and
 - (ii) the Noteholders in accordance with Condition 20 (*Notices*).

15.6 ***No obligation to act***

Notwithstanding any other Condition hereof or the provisions of the Security Trust Deed and the Note Trust Deed, neither the Note Trustee nor the Security Trustee shall be obliged to agree to any amendment or modification, waiver or substitution which in the opinion of the Note Trustee or the Security Trustee, as the case may be, would have the effect of:

- (a) exposing the Note Trustee or the Security Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction; or
- (b) increasing the obligations or duties or decreasing the protections of the Note Trustee or the Security Trustee in these Conditions or any Transaction Document.

16. **Substitution of the Issuer**

Subject to the provisions of the Security Trust Deed and the Note Trust Deed, the Note Trustee may agree, and the Security Trustee shall agree if so directed by the Note Trustee, to a written request from the Issuer, without the consent of the Noteholders or any other Secured Party but subject to (i) the prior written consent of the Swap Counterparty (which consent shall not be unreasonably withheld or delayed); and (ii) such amendments to the Security Trust Deed, the Note Trust Deed and such other conditions as the Note Trustee and the Security Trustee may require or agree, that another entity incorporated or formed in another jurisdiction from that of the Issuer's be substituted in place of the Issuer as principal debtor under the Security Trust Deed and the Note Trust Deed and the Notes and/or as a party to any Transaction Document, provided that, among other things, in the sole opinion of the Note Trustee, such substitution will not be materially prejudicial to the interests of the Noteholders.

17. **Enforcement**

17.1 ***Security Trustee Action***

Subject to the terms of the Security Trust Deed, on and after the Security Enforcement Date, the Security Trustee or any Receiver, may at its discretion and without notice, institute or take such proceedings, steps or other action against the Issuer as it thinks fit to enforce its rights under the Security Trust Deed or the other Transaction Documents in respect of the Notes or the Security, but it shall not be bound to take any such action unless:

- (a) it has been so requested in writing by the Instructing Party; or
- (b) otherwise instructed by the Note Trustee (acting as directed by the Noteholders in accordance with the Note Trust Deed),

and, in any case, it has been indemnified and/or secured and/or prefunded to its satisfaction.

17.2 ***Conflicting Instructions***

To the extent that any such directions in relation to Condition 17.1 (*Security Trustee Action*) received from the Instructing Party and the Note Trustee conflict, the Security Trustee will act in accordance with the instructions of the Instructing Party, save that if the Security Trustee has commenced any actions or proceedings on the basis of instructions received from the Instructing Party or the Note Trustee prior to receiving any conflicting instructions, the Security Trustee will be entitled to proceed on the basis of the instructions first received regardless of whether the Instructing Party or the Note Trustee gave such instructions and shall have no liability for so doing.

18. **Limited Recourse and No Petition**

18.1 ***Limited Recourse***

The Notes will be limited recourse obligations of the Issuer. Notwithstanding any provisions of the Security Documents or of any Transaction Document, all payments of principal and interest to be made by the Issuer under the Notes and all payments to be made by the Issuer to the Secured Parties under the Transaction Documents will be payable only from the sums paid to, or net proceeds recovered by or on behalf of, the Issuer or the Security Trustee in respect of the Charged Assets and in accordance with the priority of application specified in Clause 9 (*Priority of Application*) of the Security Trust Deed. There will be no other assets of the Issuer available for any further payments by the Issuer. The Security Trustee and each other Secured Party will look solely to such sums, proceeds and the rights of the Issuer in respect of the Charged Assets in accordance with the terms of the Security Documents for payments to be made by the Issuer. Having enforced the Security and distributed the net proceeds thereof in accordance with the terms of the Security Trust Deed, none of the Security Trustee or any other Secured Party may take any further steps against the Issuer to recover any unpaid sum or undischarged payment obligation and the Issuer's liability for any such sum shall be extinguished.

18.2 ***Security Trustee only to Enforce***

Only the Security Trustee may pursue the remedies available under applicable laws, under the Notes, the Security Documents and the other Transaction Documents to enforce the rights of the Secured Parties against the Issuer and no other Secured Party shall be entitled to proceed directly against the Issuer unless the Security Trustee, having become bound to proceed in accordance with the terms of the Security Documents after an Enforcement Event under these Conditions has occurred, fails to do so within a reasonable time and such failure is continuing **provided that** nothing in this Condition 18.2 shall limit the exercise of the powers, trusts, authorities, duties and discretions of the Note Trustee under the Note Trust Deed.

18.3 ***No Petition***

Neither the Security Trustee nor any other Secured Party shall be entitled to petition or take any other step for the winding-up, reorganisation, administration, liquidation, bankruptcy, insolvency or other analogous proceeding of the Issuer for so long as any Note is outstanding or for two years and a day after all amounts outstanding under the Transaction Documents have been paid in full, **provided that** the Security Trustee and Note Trustee may prove or lodge a claim in liquidation of the Issuer initiated by another party and **provided further that** the Security Trustee may take proceedings to obtain a declaration or similar judgment or order as to the obligations and liabilities of the Issuer under the Security Documents.

19. **Directors, Shareholders and Officers**

No person shall have any recourse against any director, shareholder or officer of the Issuer in respect of any obligation, covenant or agreement entered into or made by the Issuer pursuant to the Security Documents, the Notes or any other Transaction Document to which it is a party or any notice or document which it is requested to deliver hereunder or thereunder. It being expressly understood and agreed that the Issuer's obligations under the Transaction Documents are corporate obligations of the Issuer and no liability shall attach to or be incurred by the shareholders, officers, agents or directors of the Issuer as such, or any of them, under or by reason of any of the obligations, covenants or agreements of the Issuer contained within the Transaction Documents or implied therefrom, and any or all personal liability for breaches by the Issuer of any such obligations, covenants or agreements either by law or by statute of constitution, of every such shareholder, officer, agent or director is hereby expressly waived as a condition of and in consideration for the execution of the Transaction Documents.

20. **Notices**

20.1 ***Valid Notices***

Any notice to Noteholders shall be validly given if such notice is:

- (a) published in *The Irish Times* or, if such newspaper shall cease to be published or timely publication therein shall not be practicable, in a English language newspaper or newspapers having a general circulation in Europe; or
- (b) for so long as the Notes are listed on a stock exchange, and the rules of such stock exchange so permit, published on the website of the stock exchange on which the Notes are then listed; or
- (c) prior to the issue of any Individual Note Certificates and so long as the Global Note Certificates are held on behalf of Euroclear and/or Clearstream, Luxembourg, delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to Noteholders.

20.2 ***Date of publication***

Any notices so published shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made in the newspaper or newspapers in which publication is required or on the

website of the stock exchange on which the Notes are then listed or on the applicable date of the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg.

20.3 ***Other Methods***

The Note Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Note Trustee shall require.

21. **FATCA**

Each holder of an interest in a Note agrees that if the Issuer is required to comply with FATCA in order to receive any payments without withholding tax, then such holder shall (i) provide the Issuer with any information necessary for FATCA reporting; and (ii) permit the Issuer to (a) share such information with the U.S. Internal Revenue Service or other relevant tax or other governmental authority as required by FATCA and (b) compel or effect the sale of Notes held by any such holder, or in respect of which such holder has an interest, that fails to comply with the foregoing requirement.

22. **Contracts (Rights Of Third Parties) Act 1999**

No person will have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy of a third party which exists or is available apart from that Act.

23. **Governing Law and Jurisdiction**

23.1 ***Governing law***

The Note Trust Deed, the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

23.2 ***Jurisdiction***

The Issuer, the Note Trustee and the Security Trustee have in the Note Trust Deed (a) submitted irrevocably to the exclusive jurisdiction of the courts of England and Wales for the purposes of hearing and determining any suit, action or proceedings or settling any disputes arising out of or in connection with the Note Trust Deed or the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with such documents); (b) waived any objection which it might have to any such courts being nominated as the forum to hear and determine any such suit, action or proceedings or to settle any such disputes and agreed not to claim that any such court is not a convenient or appropriate forum; and (c) in respect of the Issuer, designated Law Debenture Corporate Services Limited, Fifth Floor, 100 Wood Street, London EC2V 7EX to accept service of any process on its behalf.

24. **Verification Procedures**

None of the Issuer, the Transaction Administrator, the Swap Counterparty, the Swap Calculation Agent, the Joint Arrangers, the Joint Placement Agents, the Note Trustee or the Security Trustee will be liable for any loss suffered by any Noteholder which arises as a result of the verification procedures as provided for in the Verification Agency Agreement being insufficient for either:

- (a) any Noteholder's purposes; or
- (b) the Issuer's purposes, the Transaction Administrator's purposes, the Note Trustee's purposes or the Security Trustee's purposes.

None of the Issuer, the Transaction Administrator, the Swap Counterparty, the Swap Calculation Agent, the Notes Calculation Agent, the Joint Arrangers, the Joint Placement Agents, the Note Trustee or the Security Trustee is responsible for determining whether the verification procedures

as provided for in the Verification Agency Agreement are sufficient for any Noteholder's purposes.

The Verification Agent has agreed that Verification Reports may be made available to the Note Trustee upon the condition that: (a) the Note Trustee shall not disclose such reports (or the contents thereof) to any third party without the prior written consent of the Verification Agent; and (b) the Verification Agent accepts no liability to the Note Trustee in relation to such reports and the Note Trustee will not bring any claim against the Verification Agent in relation to such reports.

None of the Note Trustee, Security Trustee or Transaction Administrator has made, or will make, any evaluation or verification of any reports relating to the verification procedures as provided for in the Verification Agency Agreement and shall have no liability to any party in respect of the verification procedures as provided for in the Verification Agency Agreement in any respect.

25. **Definitions**

In these Conditions, the following expressions have the meanings given to them below, or, where not otherwise defined herein, capitalised terms have the meaning given to them in the Note Trust Deed or Credit Default Swap, as appropriate.

"**Accounts**" means the Interest Collections Account and the Principal Collections Account including replacement or redesignated accounts from time to time.

"**Additional Amounts**" has the meaning given to it in Condition 9 (*Taxation*).

"**Adjusted Principal Balance**" of the Notes means, on any date:

- (a) with respect to the Notes an amount equal to the greater of:
 - (i) an amount equal to:
 - i) the Principal Balance of the Notes on such date;
minus
 - ii) the aggregate amount of Cash Settlement Amounts (if any) that have been applied to reduce the Adjusted Principal Balance pursuant to Condition 6.7 (*Reduction and Reinstatement of the Adjusted Principal Balance of the Notes*);
plus
 - iii) the aggregate amount of Cash Settlement Reimbursement Amounts (if any) that have been applied to increase the Adjusted Principal Balance pursuant to Condition 6.7 (*Reduction and Reinstatement of the Adjusted Principal Balance of the Notes*); and
 - (ii) zero;
- (b) with respect to a Note on any date or any time of determination, a proportion of the Adjusted Principal Balance of the Notes on that date or time of determination equal to the proportion that the Initial Principal Balance of the relevant Note bears to the Initial Principal Balance of the Notes

in each case, as determined by the Issuer (or the Transaction Administrator on its behalf).

"**Administration and Cash Management Agreement**" means the administration and cash management agreement dated the Closing Date between the Issuer, the Transaction Administrator and others, together with any agreement for the time being in force amending or supplementing such agreement.

"**Affiliate**" has the meaning given to it in the Credit Default Swap.

"Agency Agreement" has the meaning given to it in the preamble to these Conditions.

"Agents" has the meaning given to it in the preamble to these Conditions.

"Amortisation Date" has the meaning given to it in the Credit Default Swap.

"BOI" means The Governor and Company of the Bank of Ireland.

"Budgeted Expenses" means, as of any Note Payment Date, the Expenses (including Exceptional Expenses) which the Notes Calculation Agent and the Swap Counterparty, after consultation with the Transaction Administrator, are informed as of the 4th Business Day preceding such Note Payment Date (or, in the case of the first Note Payment Date, on the Closing Date), will fall due to be paid by the Issuer on or prior to the next following Note Payment Date or which have become due and payable and have not been previously funded by the Swap Counterparty.

"Business Day" means any TARGET Day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange currency deposits) in Dublin and London.

"Buyer" has the meaning given to it under the Credit Default Swap.

"Cash Deposit Bank" means The Governor and Company of the Bank of Ireland.

"Cash Deposit Bank Required Rating" means, in respect of the Cash Deposit Bank and any substitute cash deposit bank, a long-term unsecured and unsubordinated debt rating of any one or more of (i) BBB- or higher by S&P, (ii) Baa3 or higher by Moody's or (iii) BBB- or higher by Fitch.

"Cash Deposit Agreement" means the cash deposit agreement executed on the Closing Date by the Issuer, the Cash Deposit Bank and others.

"Cash Deposit Bank Security Agreement" means the cash deposit bank security agreement dated on or about the Closing Date between the Cash Deposit Bank, the Issuer and the Transaction Administrator or, at any time after such agreement is terminated, any replacement cash deposit bank security agreement on substantially the same terms as the Cash Deposit Bank Security Agreement.

"Cash Deposit Bank Security Enforcement Event" means any of the following:

- (a) any failure by the Cash Deposit Bank to make any payment or repayment in respect of the Principal Collections Account when due;
- (b) any breach by the Cash Deposit Bank of any of its obligations under the Cash Deposit Bank Security Agreement or any of its obligations in respect of the Principal Collections Account under the Cash Deposit Agreement (other than a failure referred to in subparagraph (a)) which is not remedied within five Business Days of the receipt by the Cash Deposit Bank of notice in writing of such default from the Issuer; or
- (c) the Cash Deposit Bank becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, examiner, liquidator or administrative or other receiver of all or any substantial part of its property (other than pursuant to a consolidation, amalgamation or merger), or if an administrator, examiner, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed, or it admits in writing its inability to pay or meet its debts as they may mature or suspends payment of its debts, or if an order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law or if a public officer takes charge or control of the Cash Deposit Bank or of its property or affairs for the purpose of rehabilitation, administration or liquidation, and such appointment is not revoked, or order is not dismissed,

discharged, stayed or restrained, as applicable, within 30 calendar days of its making or institution.

"Cash Settlement Amount" means, in respect of a Cash Settlement Date in respect of which a Cash Settlement Amount (as defined in the Credit Default Swap) is payable by the Seller to the Buyer under the Credit Default Swap, an amount equal to such Cash Settlement Amount.

"Cash Settlement Date" has the meaning given to it in the Credit Default Swap.

"Cash Settlement Reimbursement Amount" means, in respect of a Cash Settlement Date in respect of which a Cash Settlement Reimbursement Amount (as defined in the Credit Default Swap) is payable by the Buyer to the Seller under the Credit Default Swap, an amount equal to such Cash Settlement Reimbursement Amount.

"Charged Assets" has the meaning given to it in Condition 3.1 (*Security*).

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme, Luxembourg or any successor in business thereto.

"Closing Date" means 29 December 2016.

"Collateral Income Proceeds" means, on any date, interest earned on the Principal Collections Account and the Interest Collections Account that are paid to the Issuer from time to time.

"Collateral Investment" means, as at any date of determination, the cash deposit held in the Principal Collections Account.

"Collateral Monitoring Agreement" means the collateral monitoring and account control agreement dated on or about the Closing Date between the Issuer, the Transaction Administrator, the Collateral Monitoring Agent and the Custodian.

"Collateral Principal Proceeds" means on any date, the proceeds of the Principal Collections Account.

"Conditions" has the meaning given to it in the preamble to this section entitled "*Terms and Conditions of the Notes*".

"Conditions to Settlement" has the meaning given to it in the Credit Default Swap;

"Corporate Services Agreement" means the corporate services agreement dated on or about the Closing Date between the Issuer and the Corporate Services Provider, together with any agreement for the time being in force amending or supplementing such agreement.

"Corporate Services Provider" means Deutsche International Corporate Services (Ireland) Limited in such capacity under the Corporate Services Agreement or any Successor thereto.

"Credit Default Swap" means the credit default swap transaction entered into on the Closing Date between the Issuer and the Swap Counterparty and documented under the Swap Agreement.

"Credit Event" has the meaning given to it in the Credit Default Swap.

"Credit Event Notice" has the meaning given to it in the Credit Default Swap.

"Custody Income Proceeds" means:

- (a) in respect of any Collateral Securities in the Custody Accounts, any income or distributions paid by the issuer of such Collateral Securities; and
- (b) in respect of cash collateral, any interest paid or deducted by the Custodian on any cash balance in the Custody Account.

"Custodian" means The Bank of New York Mellon, London Branch, or any replacement entity having the Custodian Required Rating, as may be appointed in accordance with the terms of the Custody Agreement.

"Custodian Required Rating" means a long-term unsecured and unsubordinated debt rating of any two of: (i) BBB or higher by S&P, (ii) Baa2 or higher by Moody's or (iii) BBB or higher by Fitch.

"Custody Account" means the custody cash account and securities account or accounts specified as such in or pursuant to any Custody Agreement or such other account or accounts as the Issuer and the Cash Deposit Bank may agree to substitute in place thereof.

"Custody Agreement" means the custody agreement executed on the Closing Date by the Cash Deposit Bank, the Issuer, the Transaction Administrator and the Custodian, or, at any time after such agreement is terminated, any custody agreement entered into from time to time substantially in the same form (together with any agreement for the time being in force amending or supplementing such agreement).

"Custody Principal Proceeds" means:

- (a) any redemption amounts paid by the issuer of Collateral Securities, to the extent they do not constitute Custody Income Proceeds; and/ or
- (b) the proceeds of the sale of any Collateral Securities which do not constitute Custody Income Proceeds.

"Cured" means, with respect to a Failure to Pay Credit Event, the payment in full or refinancing (where such refinancing would not constitute a Restructuring Credit Event) of the amounts due but unpaid in respect of the Reference Obligation that was the subject of such Failure to Pay Credit Event (together with any contractual interest on past-due amounts) within 60 Business Days of the relevant Event Determination Date or, if earlier, three Business Days prior to the Initial Termination Date *provided that*, if such payment of amounts due but unpaid is achieved through a refinancing in respect of the relevant Defaulted Reference Obligation that creates or otherwise results in a new Reference Obligation which is to form part of the Reference Portfolio, such new Reference Obligation must satisfy the Eligibility Criteria and the Conditions to Replenishment at that time. None of: (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals; (b) a reduction in the amount of principal or premium payable at maturity or at any scheduled redemption date; and (c) a postponement or other deferral of a date or dates for either (i) the payment or accrual of interest or (ii) the payment of principal or premium, in each case, following the occurrence of a Failure to Pay Credit Event, shall in any event be or result in a Failure to Pay Credit Event being Cured.

"DBRS" means DBRS Ratings Limited or any successor to its rating business.

"Defaulted Notional Amount" has the meaning given to it in the Credit Default Swap.

"Defaulted Reference Obligation" has the meaning given to it in the Credit Default Swap.

"Designated Maturity" means three months other than in the case of the first Note Interest Period, in respect of which it means the number of days in that Note Interest Period.

"Early Redemption Date" means (a) a Security Enforcement Date or (b) the Tax Redemption Date or (c) the Swap Optional Early Termination Date or (d) the Swap Acceleration Date.

"Early Termination Date" has the meaning given to it in the Credit Default Swap.

"Eligible Securities" has the meaning given to it in the Cash Deposit Bank Security Agreement.

"Enforcement Order of Priority" has the meaning given to it in Condition 7.3 (*Proceeds on Enforcement*).

"Euroclear" means Euroclear Bank S.A./N.V. or any successor in business thereto.

"Event of Default" has the meaning given to it in Condition 10.1 (*Note Events of Default*).

"Exceptional Expenses" means any fees, expenses, out-of-pocket expenses, costs or liabilities or other amounts (inclusive of value added tax) which are (a) properly incurred or claimed by the Note Trustee, the Security Trustee, any Receiver or any Operating Creditor other than in the ordinary course of business as anticipated by the provisions of the relevant Transaction Documents and which are payable by the Issuer under a Transaction Document to which it is a party or (b) payable other than pursuant to a Transaction Document.

"Expenses" means, any fees, expenses, costs or liabilities or other amounts including Exceptional Expenses (including value added tax) which are properly incurred or claimed and in respect of which an invoice has been delivered by the Security Trustee, the Note Trustee, any Receiver or any Operating Creditor to the Issuer and copied to the Swap Counterparty and the Transaction Administrator and which are payable by the Issuer (including, in respect of the Custodian and Collateral Monitoring Agent, any fees, expenses or other amounts owing to the Custodian or the Collateral Monitoring Agent in accordance with the terms of the Custody Agreement or the Collateral Monitoring Agreement, including any amounts payable by the Issuer pursuant to any indemnity).

"Extension Period" means the period (if any) from (and including) the earlier to occur of the Scheduled Termination Date and the Swap Optional Early Termination Date, to (and including) the Final Note Payment Date.

"Extension Period Redemption Amount" has the meaning given to it in Condition 6.6 (*Redemption of the Notes during the Extension Period*).

"Extraordinary Resolution" means a resolution passed at a Meeting of Noteholders duly convened and held in accordance with the provisions of the Note Trust Deed, by a majority of not less than three quarters of the votes cast.

"FATCA" means the Foreign Account Tax Compliance Act enacted by the United States of America in 2010 and any subsequent enactment relating to that Foreign Account Tax Compliance Act, and any enactments in other jurisdiction designed to ensure compliance with the requirements of the Foreign Account Tax Compliance Act.

"Fee Letter" means the letter dated on or about the Closing Date between the Issuer and the Swap Counterparty pursuant to which the Swap Counterparty agrees to pay certain of the Issuer's fees and expenses and certain other amounts in relation to the Transaction Documents.

"Final Maturity Date" means 29 December 2026 (subject to adjustment in accordance with the Following Business Day Convention).

"Final Note Payment Date" means the date on which the last outstanding Notes are redeemed in full or, if earlier, the Note Payment Date on or immediately following the date upon which the Protected Tranche Notional Amount is zero.

"Fitch" means Fitch Ratings Limited or any successor to its ratings business.

"Fixed Amount" means in respect of a Cash Settlement Date in respect of which a Fixed Amount is payable by the Buyer to the Seller under the Credit Default Swap, an amount equal to such Fixed Amount (and which shall be notified to the Notes Calculation Agent).

"Following Business Day Convention" means that, if any Note Payment Date (or other relevant date) would otherwise fall on a day which is not a Business Day, it will be postponed to the following Business Day.

"Form of Proxy" means, in relation to any Meeting, a document in the English language available from the Registrar signed by a Noteholder or, in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the Registrar not later than 48 hours before the time fixed for such Meeting, appointing a named individual or individuals to vote in respect of the Registered Notes held by such Noteholder.

"Holder" has the meaning given to it in Condition 2.1 (*Register*).

"Initial Reference Portfolio Notional Amount" has the meaning given to it in the Credit Default Swap.

"Initial Principal Balance" means (a) EUR 186,550,000; and (b) with respect to a Note, such Note's *pro rata* share of the Initial Principal Balance of the Notes (**provided that**, at any time, the Initial Principal Balance of all the Notes will equal the Initial Principal Balance).

"Instructing Party" means, the Swap Counterparty unless a Swap Event of Default in respect of which the Swap Counterparty is the Defaulting Party (as defined in the Credit Default Swap) or a Cash Deposit Bank Enforcement Event has occurred, after the occurrence of which **"Instructing Party"** shall mean the Note Trustee.

"Interest Amount" means, with respect to the Notes and any Note Interest Period, the amount of interest payable in respect of the Notes in respect of such Interest Period as determined in accordance with Condition 5.4 (*Calculation of Interest Amount*).

"Interest Collections" means, for any Note Payment Date, the sum of the funds standing to the credit of, or credited to, the Interest Collections Account on such date.

"Interest Collections Account" means the segregated account specified as such in or pursuant to the Issuer Account Bank Agreement or such other account as the Security Trustee, the Issuer and the Swap Counterparty may agree to substitute in place thereof.

"Interest Determination Date" means, in relation to a Note Interest Period, the first day of that Note Interest Period;

"Interest Rate" has the meaning ascribed to such term in Condition 5.3 (*Interest - Interest Rate on the Notes*);

"ISDA Master" means the 2002 ISDA Master Agreement together with a schedule thereto to be entered into on the Closing Date between the Issuer and the Swap Counterparty together with any agreement for the time being in force amending or supplementing such agreement.

"Issuer" has the meaning given to it in the preamble to the Conditions.

"Issuer Account Bank" means Deutsche Bank AG, London Branch in its capacity as issuer account bank under the Issuer Account Bank Agreement or any Successor thereto.

"Issuer Account Bank Agreement" means the issuer account bank agreement executed on the Closing Date by the Issuer, the Issuer Account Bank and others or, at any time after such agreement is terminated, any issuer account bank agreement entered into from time to time pursuant to the Issuer Account Bank Agreement substantially on the terms of the Issuer Account Bank Agreement (together with any agreement for the time being in force amending or supplementing such agreement).

"Issuer Transaction Fee" means EUR 1,000 payable on the first Note Payment Date of each calendar year.

"Liabilities" means any loss, damage, cost, charge, claim, demand, expense, fee, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis and **"Liability"** shall be construed accordingly.

"Listing Agent" means Arthur Cox Listing Services Limited or any other listing agent that may at any time or from time to time be appointed by the Issuer in respect of the Notes.

"Meeting" means a meeting of Noteholders (whether originally convened or resumed following an adjournment).

"Minimum Denomination" means EUR 200,000 (and integral multiples of EUR 10,000 in excess thereof).

"Moody's" means Moody's Investor Services Limited or any of its affiliates.

"Note Enforcement Notice" means a notice delivered by the Note Trustee to the Issuer in accordance with Condition 10 (*Note Events of Default and Acceleration*) which declares the Notes to be immediately due and payable.

"Note Extension Amount" has the meaning given to it in Condition 6.6 (*Redemption of the Notes during the Extension Period*).

"Note Extension Amount Calculation Date" has the meaning given to it in Condition 6.6 (*Redemption of the Notes during the Extension Period*).

"Note Extension Date" has the meaning given to it in Condition 6.6 (*Redemption of the Notes during the Extension Period*).

"Note Interest Period" has the meaning given to it in Condition 5.2 (*Interest - Note Payment Dates and Note Interest Periods*).

"Note Payment Date" means each of 28 January, April, July and October in each year, commencing on 28 April 2017 and ending on the Final Note Payment Date (in each case subject to the Following Business Day Convention).

"Note Principal Payment" has the meaning given to it in Condition 6.8 (*Note Principal Payment*).

"Note Relevant Date" means whichever is the later of (i) the date on which the payment in question first becomes due and (ii) if the full amount payable has not been received by the Paying Agent or the Note Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

"Note Trust Deed" has the meaning given to it in the preamble to the Conditions.

"Note Trustee" has the meaning given to it in the preamble to the Conditions.

"Noteholders" has the meaning given to it in the preamble to the Conditions.

"Notes" has the meaning given to it in the preamble to the Conditions.

"Notes Calculation Agent" means Deutsche Bank AG, London Branch in its capacity as notes calculation agent under the Agency Agreement or any Successor thereto.

"Notes Termination Date" means the date which is the earliest to occur of (a) the Early Redemption Date, and (b) the Scheduled Redemption Date.

"Observation Date" has the meaning given to it in the Credit Default Swap.

"Observation Period" has the meaning given to it in the Credit Default Swap.

"Operating Creditors" means any of (a) any Agent, (b) the Transaction Administrator, (c) the Corporate Services Provider, (d) the Custodian, (e) the Collateral Monitoring Agent, (f) the Issuer Account Bank, (g) any taxing authority, (h) any director of the Issuer, (i) any Listing Agent, (j) the Issuer's auditors, (k) any accountant appointed pursuant to the Credit Default Swap, (l) any process agent of the Issuer, (m) any stock exchange on which the Notes are listed, (n) any taxing authority of the Issuer, (o) the Issuer's counsel and (p) any other party (other than the Swap Counterparty), from time to time a creditor of the Issuer in respect of whom its status as an Operating Creditor has been agreed by the Issuer and the Swap Counterparty.

"Order of Priority" means, in respect of any payment to be made by the Issuer before the Security Enforcement Date, the Pre-enforcement Order of Priority or, in respect of any payment

to be made by the Issuer on or after the Security Enforcement Date, the Enforcement Order of Priority.

"**Paying Agent**" and "**Paying Agents**" are defined in the preamble to the Conditions.

"**Portfolio Cut-Off Date**" means 30 November 2016.

"**Potential Defaulted Reference Obligation**" has the meaning given to it in the Credit Default Swap.

"**Potential Failure to Pay Extension Notice**" has the meaning given to it in the Credit Default Swap.

"**Portfolio Notional Amount**" has the meaning given to it in the Credit Default Swap.

"**Pre-enforcement Order of Priority**" means the order of priority for application of Interest Collections and Principal Collections as set out in Conditions 7.1 (*Application of Interest Collections*) and 7.2 (*Application of Principal Collections*), respectively.

"**Principal Balance**" of the Notes means, at any time and from time to time, the Initial Principal Balance of the Notes less the aggregate of any amounts paid to the Noteholders in redemption of the Notes at that time;

"**Principal Collections**" means, for any Note Payment Date or, as the case may be, Cash Settlement Date, the sum of the funds standing to the credit of, or credited to, the Principal Collections Account on such date and on or after the Security Enforcement Date, the proceeds of any enforcement of the Cash Deposit Bank Security Agreement.

"**Principal Collections Account**" means the account specified as such in or pursuant to any Cash Deposit Agreement or such other account as the Security Trustee, the Issuer and the Swap Counterparty may agree to substitute in place thereof.

"**Principal Paying Agent**" has the meaning given to it in the preamble to the Conditions.

"**Protected Tranche Notional Amount**" has the meaning given to it in the Credit Default Swap.

"**Protected Tranche Amortisation Amount**" has the meaning given to it in the Credit Default Swap.

"**Proxy**" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction or a Form of Proxy other than:

- (a) any such person whose appointment has been revoked and in relation to whom the Registrar has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed.

"**Receiver**" means a receiver or administrative receiver appointed pursuant to the Security Trust Deed and includes any receiver appointed pursuant to Section 29(2) of the Insolvency Act 1986 and more than one such receiver or administrative receiver and any substituted receiver or administrative receiver.

"**Redemption Amounts**" means, with respect to any Note and as at any date of determination, the aggregate sums paid by the Issuer, as at the date of determination, towards redemption of such Note pursuant to Condition 6 (*Redemption Reduction and Reimbursement*).

"**Redemption Date**" means (a) the Notes Termination Date, (b) each date upon which the Notes are redeemed in part pursuant to Condition 6.1 (*Amortised Redemption*) and (c) after the Notes Termination Date, each Note Payment Date thereafter.

"Reference Bank" has the meaning given to it in Condition 5.3(b).

"Reference Entity" has the meaning given to it in the Credit Default Swap and **"Reference Entities"** shall be construed accordingly.

"Reference Obligation" has the meaning given to it in the Credit Default Swap.

"Reference Obligation Notional Amount" has the meaning given to it in the Credit Default Swap.

"Reinstatement Amount" has the meaning given to it in Condition 6.7 (*Reduction and Reinstatement of the Adjusted Principal Balance of the Notes*).

"Relevant Lender" has the meaning given to it in the Credit Default Swap.

"Replenishment Period" has the meaning given to it in the Credit Default Swap.

"Reserved Matter" has the meaning given to it in Condition 14 (*Meetings of Noteholders*).

"Reuters Screen" means, when used in connection with a designated page and a rate option, the display page so designated on Reuters service (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor) for the purposes of displaying rates or prices comparable to that rate option.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. or any of its affiliates.

"Scheduled Redemption Date" means 29 December 2024 (subject to adjustment in accordance with the Following Business Day Convention).

"Scheduled Termination Date" shall have the meaning given to it in the Credit Default Swap.

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether jointly or severally or in any other capacity whatsoever) of the Issuer to the Secured Parties under the Transaction Documents.

"Secured Parties" means (a) the Issuer Account Bank, (b) the Transaction Administrator, (c) the Agents, (d) the Corporate Services Provider, (e) the Custodian, (f) the Collateral Monitoring Agent, (g) the Noteholders, (h) the Note Trustee, (i) any Receiver, (j) the Security Trustee, (k) the Swap Counterparty and (l) Cash Deposit Bank (each, a **"Secured Party"**).

"Security" means the security created by or pursuant to the Security Documents.

"Security Documents" means the Security Trust Deed, the Principal Collections Account Charge and any other security document purporting to create security entered into from time to time by the Issuer in favour of the Security Trustee for the benefit of the Secured Parties.

"Security Enforcement Date" shall be the date which is the second Business Day following the earliest of (1) the date that a Security Enforcement Notice is delivered to the Issuer by the Security Trustee pursuant to the Security Trust Deed and (2) the date upon which a Swap Acceleration Event occurs (without the need for any further notice or action on the part of the Security Trustee).

"Security Enforcement Notice" means the notice given by the Security Trustee to the Issuer pursuant to Clause 8.3 of the Security Trust Deed.

"Security Trust Deed" means the security trust deed dated the Closing Date between the Issuer, the Security Trustee and others, together with any agreement for the time being in force amending or supplementing such deed.

"Security Trustee" has the meaning given to it in the preamble to the Conditions.

"Seller" has the meaning given to it under the Credit Default Swap.

"Specified Office" means, in relation to any Paying Agent or Registrar, either the office identified with its name in the Agency Agreement or any other office notified to any relevant parties pursuant to the Agency Agreement.

"Subscription Agreement" means the subscription agreement in respect of the Notes dated on or about 23 December 2016 between the Issuer and BOI together with any agreement for the time being in force amending or supplementing such agreement.

"Successor" means, in relation to any parties to a Transaction Document, such other or further person as may from time to time be appointed to act jointly with or in substitution of such party pursuant to, and subject to the provisions of, such Transaction Document.

"Swap Acceleration Event" means the occurrence of a Swap Event of Default.

"Swap Acceleration Date" means the date of the Early Termination Date (as such term is defined in the Swap Agreement) designated in accordance with the Swap Event of Default.

"Swap Agreement" means the ISDA Master together with the Swap Confirmation together with any agreement for the time being in force amending or supplementing such agreement.

"Swap Calculation Agent" means BOI in its capacity as the calculation agent under the Credit Default Swap or any Successor thereto.

"Swap Confirmation" means the written confirmation in respect of the Credit Default Swap dated the Closing Date between, among others, the Issuer and the Swap Counterparty together with any agreement for the time being in force amending or supplementing such transaction or agreement.

"Swap Counterparty" means BOI or any Successor thereto.

"Swap Event of Default" means the designation of an Early Termination Date (as such term is defined in the Swap Agreement) under the Swap Agreement.

"Swap Optional Early Termination Date" means Optional Early Termination Date (as such phrase is understood in the Credit Default Swap).

"Swap Optional Early Termination Event" means Optional Early Termination Event (as such phrase is understood in the Credit Default Swap).

"Swap Tax Event" has the meaning given to it in the Swap Agreement.

"TARGET Day" means any day on which TARGET2 is open for the settlement of payments in Euro.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"Tax" and **"Taxes"** are defined in Condition 9 (*Taxation*).

"Tax Certificate" means with respect to the Issuer, a certificate of two of its directors stating that any obligation, imposition, withholding or deduction imposed on the Issuer or imposed on any payments to be made to the Issuer as a result of the events described in Condition 6.5(a)(i) (*Optional Redemption of the Notes in Whole for Tax Reasons*) to (iii), or, as the case may be, any Tax, cannot be avoided (without incurring additional cost) by the Issuer taking reasonable measures available to it.

"Tax Redemption Date" has the meaning given to it in Condition 6.5 (*Optional Redemption of the Notes in Whole for Tax Reasons*)

"Tax Redemption Event" has the meaning given to it in Condition 6.5 (*Optional Redemption of the Notes in Whole for Tax Reasons*)

"Transaction Administrator" means Deutsche Bank AG, London Branch in its capacity as transaction administrator under the Administration and Cash Management Agreement or any Successor thereto.

"Transaction Documents" means the Administration and Cash Management Agreement, the Agency Agreement, the Cash Deposit Agreement, the Cash Deposit Bank Security Agreement, the Custody Agreement, the Collateral Monitoring Agreement, the Issuer Account Bank Agreement, the Corporate Services Agreement, the Credit Default Swap, the Notes, the Note Trust Deed, the Fee Letter, the Security Documents and the Subscription Agreement.

"Transaction Creditors" means any of the following Operating Creditors: (a) any Agent, (b) the Transaction Administrator, (c) the Corporate Services Provider, (d) the Custodian, (e) the Collateral Monitoring Agent and (f) the Issuer Account Bank.

"Trustees" means each of the Note Trustee and the Security Trustee.

"Unsettled Reference Obligation" means any Reference Obligation in respect of which either (a) a Potential Failure to Pay Extension Notice has been delivered by the Buyer pursuant to the Credit Default Swap but which has not yet become a Defaulted Reference Obligation, or (b) a Credit Event Notice has been delivered by the Swap Counterparty pursuant to the Credit Default Swap but in respect of which the Final Loss Amount has not yet been confirmed by the Verification Agent.

"Verification Agency Agreement" means the terms of appointment of the Verification Agent by the Swap Counterparty, pursuant to which the Verification Agent is required to verify those terms set out in this Confirmation as being required to be verified.

"Verification Agent" means Mazars, or such other internationally recognised accounting firm as may be appointed as verification agent by the Swap Counterparty from time to time.

"Verification Report" means the report produced by the Verification Agent and delivered to the Swap Counterparty following its review of each Worked Out Reference Obligation which:

- (a) confirms that the Final Loss Amount has been calculated in compliance with the definition of "Final Loss Amount"; or
- (b) where the Verification Agent is initially not able to confirm (a) above, confirms that the Swap Counterparty has recalculated such Final Loss Amount in compliance with the definition of "Final Loss Amount".

"Voter" means, in relation to any Meeting, (a) a Proxy, or (subject to paragraph 5 (*Record Date*) of Schedule 4 to the Note Trust Deed (b) a Noteholder; *provided, however, that* any Noteholder which has appointed a Proxy under a Block Voting Instruction or Form of Proxy shall not be a **"Voter"** except to the extent that such appointment has been revoked and the Registrar notified in writing of such revocation at least 48 hours before the time fixed for such Meeting;

FORM OF NOTES

Global Note Certificates

The Notes will be represented by one or more Global Note Certificates. The Global Note Certificates will be deposited with the Common Depositary.

Beneficial interests in the Global Note Certificates will be subject to certain restrictions on transfer set forth therein and in the Note Trust Deed (as applicable) as described herein under "*Purchase and Transfer Restrictions*". Interests in the Global Note Certificates may not be held by a U.S. Person at any time.

All or a portion of an interest in a Global Note Certificate may be transferred to a person taking delivery in the form of an interest in a Global Note Certificate, in accordance with the applicable procedures of Clearstream, Luxembourg or Euroclear (in addition to the procedures and restrictions set forth in the Note Trust Deed); **provided that** (a) any remaining principal amount of the transferor's interest in the Global Note Certificates will either equal zero or meet the Minimum Denominations and (b) such transfer is made to a person who is not a U.S. Person in offshore transactions in reliance on an exemption from the registration requirements of the Securities Act under Regulation S and that the transferee, by purchase of such interest in such Global Note Certificates, will be deemed to have made all representations, warranties and acknowledgements applicable to transfers or purchases of an interest in a Global Note Certificate described under "*Purchase and Transfer Restrictions*".

Transfers of interests in the Global Note Certificates are subject to certain additional restrictions. In particular, each transferee of an interest in a Global Note Certificate will also be deemed to have made certain additional acknowledgments, representations and warranties as provided in the Note Trust Deed. See "*Purchase and Transfer Restrictions*".

Amendments to Conditions

In addition, the Global Note Certificates will contain provisions which modify the Conditions of the Notes as they apply to the Global Note Certificates. The following is a summary of certain of those provisions:

Payments: Payments of principal and interest in respect of Notes represented by a Global Note Certificate will be made against presentation for endorsement and, if no further payment falls to be made in respect of the relevant Notes, surrender of such Global Note Certificates to or to the order of the Registrar.

Record Date: Notwithstanding Condition 8.6 (*Record Date*) of the Notes, while all the Notes are represented by Global Note Certificates which are deposited with the Common Depositary, the Record Date will be the business day in Euroclear and Clearstream, Luxembourg (as applicable) immediately prior to the relevant payment date.

Meetings: The holder of a Global Note Certificate shall be treated as being two persons for the purposes of meeting the quorum requirements of a meeting of Noteholders.

Notices: Notwithstanding Condition 20 (*Notices*) of the Notes, while all the Notes are represented by Global Note Certificates which are deposited with the Common Depositary, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and for so long as the Notes are listed on the Irish Stock Exchange, and the rules of the Irish Stock Exchange so permit, such notices may be published on the website of the Irish Stock Exchange. Such notices shall be deemed to have been given to the Noteholders in accordance with Condition 20 (*Notices*) of the Notes on the date of delivery to Euroclear and Clearstream, Luxembourg.

Purchase and Cancellation: For so long as any Notes are represented by a Global Note Certificate, such Notes will be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as appropriate.

Exchange for Individual Note Certificates

Exchange

Each Global Note Certificate will be exchangeable, free of charge to the holder, in whole but not in part, for certificates in individual certificate form ("**Individual Note Certificates**"):

- (a) if a Global Note Certificate is held (directly or indirectly) on behalf of Euroclear and/or Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or announces that it is permanently to cease business or does in fact do so; or
- (b) if the Issuer or any Paying Agent or any other person is or will be required to make any withholding or deduction from any payment in respect of the Notes for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature or the Issuer suffers or will suffer any other disadvantage as a result of such change, which withholding or deduction would not be required or other disadvantage would not be suffered (as the case may be) if the Notes were in individual certificate form.

The Registrar will not register the transfer of, or exchange of interests in, a Global Note Certificate for Individual Note Certificates for a period of 15 calendar days ending on the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Note Certificates (the "**Exchanged Global Note Certificate**") becomes exchangeable for Individual Note Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Individual Note Certificates issued in exchange for beneficial interests in the Exchanged Global Note Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Note Certificate.

Delivery

In such circumstances, the relevant Global Note Certificate shall be exchanged in full for Individual Note Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange), cause sufficient Individual Note Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Note Certificate must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Individual Note Certificates.

Legends and Transfers

The holder of an Individual Note Certificate may transfer the Notes represented thereby in whole or in part in the applicable Minimum Denomination by surrendering it at the specified office of the Registrar together with the completed form of transfer thereon. Upon the transfer, exchange or replacement of an Individual Note Certificate, the Issuer will deliver Individual Note Certificates which will bear the same legend as the legend for the Global Note Certificates as set out under "*Purchase and Transfer Restrictions*".

PURCHASE AND TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, sale, resale, pledge or transfer of the Notes.

The Notes have not been and will not be registered under the Securities Act or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described below.

Prospective Initial Investors in the Notes

Each prospective purchaser of the Notes (an "**Offeree**"), by accepting delivery of this Prospectus, will be deemed to have represented, acknowledged and agreed as follows:

- (a) The Offeree is not a U.S. Person.
- (b) The Offeree acknowledges that this Prospectus is personal to the Offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes other than in offshore transactions in accordance with Regulation S. Distribution of this Prospectus or disclosure of any of its contents to any person other than the Offeree and those persons, if any, retained to advise the Offeree with respect thereto and other non-U.S. Persons meeting the requirements of Regulation S is unauthorized and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.
- (c) The Offeree agrees to make no photocopies of this Prospectus or any documents referred to herein and, if the Offeree does not purchase the Notes or the offering is terminated, to return this Prospectus and all documents referred to herein to the Joint Placement Agents.
- (d) The Offeree has carefully read and understands this Prospectus, including, without limitation, the "*Risk Factors*" section herein, and has based its decision to purchase the Notes upon the information contained herein and on written information, if any, provided to it by the Issuer and the **Joint Placement Agents** and not on any other information.
- (e) It is aware that the sale of the Notes to it is being made in reliance on the exemption from registration provided by Regulation S and understands that the Notes offered in reliance on Regulation S will bear the legend set forth below and be represented by one or more Global Note Certificates.
- (f) The Offeree understands that the Notes may not at any time be transferred to a U.S. Person or to any person acting for the account of a U.S. Person.

Notes

Legend

So long as any Note is outstanding, the Notes will bear a legend substantially as set forth below:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THIS NOTE MAY NOT BE REOFFERED, RESOLD, PLEDGED OR DELIVERED WITHIN THE UNITED STATES OR TO (A) U.S. PERSONS (AS DEFINED IN REGULATION S) OR (B) ANY PERSON THAT IS NOT A "NON-UNITED STATES PERSON" (AS THAT TERM IS DEFINED IN RULE 4.7(A)(IV) PROMULGATED BY THE COMMODITY FUTURES TRADING COMMISSION UNDER THE COMMODITY EXCHANGE ACT OF 1936 (AS AMENDED)) ("U.S. PERSONS"). THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, REPRESENTS THAT IT IS NOT A U.S. PERSON AND HAS OBTAINED THIS NOTE IN A TRANSACTION IN COMPLIANCE WITH THE SECURITIES ACT AND ALL OTHER APPLICABLE LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION, AND THE RESTRICTIONS ON SALE AND TRANSFER SET FORTH IN THE NOTE TRUST DEED. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS NOTE, FURTHER REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL,

PLEDGE OR OTHERWISE TRANSFER THIS NOTE (OR ANY INTEREST HEREIN) TO A U.S. PERSON AND EXCEPT IN COMPLIANCE WITH ALL APPLICABLE LAWS OF ANY JURISDICTION AND IN ACCORDANCE WITH THE RESTRICTIONS, CERTIFICATIONS AND OTHER REQUIREMENTS SPECIFIED IN THE NOTE TRUST DEED TO A TRANSFEREE THAT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND IN A PRINCIPAL AMOUNT, WITH RESPECT TO EACH CLASS OF NOTES OF NOT LESS THAN EUR 200,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING. EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE NOTE TRUST DEED.

ANY SALE OR TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO*, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE NOTE TRUSTEE OR ANY INTERMEDIARY.

EACH TRANSFEROR OF THIS NOTE AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE NOTE TRUST DEED TO THE TRANSFEREE. IN ADDITION TO THE FOREGOING, THE ISSUER MAINTAINS THE RIGHT TO RESELL ANY INTEREST IN THIS NOTE PREVIOUSLY TRANSFERRED TO HOLDERS NOT ELIGIBLE TO PURCHASE SUCH INTERESTS IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE NOTE TRUST DEED. HOWEVER, WITHOUT PREJUDICE TO THE RIGHTS OF THE ISSUER AGAINST ANY BENEFICIAL OWNER OR PURPORTED BENEFICIAL OWNER OF NOTES, NOTHING IN THE NOTE TRUST DEED OR THE NOTES SHALL BE INTERPRETED TO CONFER ON THE ISSUER, THE NOTE TRUSTEE OR ANY PAYING AGENT ANY RIGHT AGAINST EUROCLEAR AND/OR CLEARSTREAM, LUXEMBOURG TO REQUIRE THAT EUROCLEAR AND/OR CLEARSTREAM, LUXEMBOURG, AS THE CASE MAY BE, REVERSE OR RESCIND ANY TRADE COMPLETED IN ACCORDANCE WITH THE RULES OF EUROCLEAR AND/OR CLEARSTREAM, LUXEMBOURG, AS THE CASE MAY BE.

BY ITS PURCHASE AND HOLDING OF A NOTE OR ANY INTEREST THEREIN, THE PURCHASER AND/OR HOLDER THEREOF AND EACH TRANSFEREE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED AT THE TIME OF ITS PURCHASE AND THROUGHOUT THE PERIOD THAT IT HOLDS SUCH NOTE OR INTEREST THEREIN, THAT (1) IT IS NOT AND WILL NOT BE (I) A BENEFIT PLAN INVESTOR (AS DEFINED IN SECTION 3(42) OF ERISA OR 29 CFR SECTION 2510.3-101) OR (II) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY AND/OR THE PROHIBITED TRANSACTION PROVISIONS OF THE ERISA AND/OR SECTION 4975 OF THE CODE ("SIMILAR LAWS"), UNLESS SUCH ACQUISITION DOES NOT AND WILL NOT RESULT IN A NON EXEMPT VIOLATION OF ANY SIMILAR LAWS; AND (2) IT WILL NOT SELL OR OTHERWISE TRANSFER ANY NOTE OR INTEREST THEREIN TO ANY PERSON WITHOUT FIRST OBTAINING THE SAME FOREGOING REPRESENTATIONS, WARRANTIES AND COVENANTS FROM THAT PERSON.

ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, DEUTSCHE BANK AG, LONDON BRANCH, HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM, LUXEMBOURG TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF DEUTSCHE BANK AG, LONDON BRANCH, OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF EUROCLEAR AND CLEARSTREAM, LUXEMBOURG (AND ANY PAYMENT HEREON IS MADE TO DEUTSCHE BANK AG, LONDON BRANCH).*

* Global Note Certificates only

TRANSFER OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, AND NOT IN PART, TO NOMINEES OF EUROCLEAR AND CLEARSTREAM, LUXEMBOURG OR TO SUCCESSORS THEREOF OR SUCH SUCCESSORS' NOMINEE AND TRANSFERS OF INTERESTS IN THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE NOTE TRUST DEED.*

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH IN THE NOTE TRUST DEED. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE PRINCIPAL PAYING AGENT.

THE HOLDER OF THIS NOTE ACKNOWLEDGES THAT NOTWITHSTANDING ANY OTHER PROVISION OF THE NOTE TRUST DEED OR ANY OTHER TRANSACTION DOCUMENT, ALL PAYMENTS OF PRINCIPAL, INTEREST OR ANY OTHER AMOUNT TO BE MADE BY THE ISSUER IN RESPECT OF THE NOTES OR UNDER ANY TRANSACTION DOCUMENT WILL BE PAYABLE PURSUANT TO THE PRIORITY OF PAYMENTS AND ONLY FROM, AND TO THE EXTENT OF, THE SUMS PAID TO, OR NET PROCEEDS RECOVERED BY OR ON BEHALF OF, THE ISSUER IN RESPECT OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED). IF THE PROCEEDS OF THE SECURITY (AS DEFINED IN THE SECURITY TRUST DEED) ARE NOT SUFFICIENT FOR THE ISSUER TO MEET ITS OBLIGATIONS IN RESPECT OF THE NOTES AND OTHER TRANSACTION DOCUMENTS, NO OTHER ASSETS OF THE ISSUER WILL BE AVAILABLE TO MEET SUCH INSUFFICIENCY.

Initial Investors and Transferees of Interests in Global Notes

Each initial investor in, and subsequent transferee of, an interest in a Global Note Certificate will be deemed to have represented and agreed as follows:

- (a) It is aware that the sale of Notes to it is being made in reliance on the exemption from registration provided by Regulation S and understands that the Notes offered in reliance on Regulation S will bear the legend set forth above and be represented by or one or more Global Note Certificates. The Notes may not at any time be held by or on behalf of (a) U.S. Persons as defined in Regulation S or (b) any person that is not a "non-United States person" as that term is defined in Rule 4.7(a)(iv) promulgated by the Commodity futures Trading Commission under the Commodity Exchange Act of 1936 (as amended) (each a "**U.S. Person**"). It and each beneficial owner of the Notes that it holds is not, and will not be, a U.S. Person and its purchase of the Notes will comply with all applicable laws in any jurisdiction in which it resides or is located.
- (b) It understands that the Notes have been offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, the Notes have not been and will not be registered under the Securities Act and, if in the future it decides to offer, resell, pledge or otherwise transfer the Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Note Trust Deed and the legend on such Notes. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act.
- (c) In connection with the purchase of the Notes: (a) the Issuer is not acting as a fiduciary or financial or investment advisor for it; (b) it is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer or the **Joint Placement Agents** (in their capacity as such) or any of their agents, other than any statements in a current Prospectus for such Notes and any representations expressly set forth in a written agreement with such party; (c) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer or the **Joint Placement Agents**; (d) its purchase of the Notes will comply with all applicable laws in any jurisdiction in which it resides or is located; (e) it is acquiring the Notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (f) it has made investments prior to the date

hereof and was not formed solely for the purpose of investing in the Notes; (g) it is not a (1) partnership, (2) common trust fund or (3) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to be made; (h) it may not hold any Notes for the benefit of any other person, shall at all times be the sole beneficial owner thereof for purposes of the Investment Company Act and all other purposes and will not sell participation interests in the Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Notes; (i) all Notes (together with any other securities of the Issuer) purchased and held directly or indirectly by it constitute in the aggregate an investment of no more than 40 per cent. of its assets or capital; and (j) it is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof and is capable of assuming and willing to assume those risks.

- (d) It understands that an investment in the Notes involves certain risks, including the risk of loss of all or a substantial part of its investment under certain circumstances. It has had access to such financial and other information concerning the Issuer and the Notes, as it deemed necessary or appropriate in order to make an informed investment decision with respect to its acquisition of the Notes, including an opportunity to ask questions of and request information from the Issuer. It understands that the Notes will be highly illiquid and are not suitable for short-term trading. It understands that it is possible that due to the structure of the transaction and the performance of the portfolio, payments on the Notes may be deferred, reduced or eliminated entirely. The Issuer has assets limited to the Security for payment of the Notes.
- (e) It agrees that if the Issuer is required to comply with FATCA in order to receive any payments without withholding tax, it will (a) provide the Issuer with any information necessary for FATCA reporting; and (b) permit the Issuer to (1) share such information with the IRS or other relevant tax or other government authority as required by FATCA, (2) compel or effect the sale of the Notes held by it that fails to comply with the foregoing requirement, and (3) make other amendments to the Transaction Documents to enable the Issuer to comply with FATCA. To the extent that the Transaction Documents do not permit the Issuer to take any of the actions that may be required for the Issuer to comply with FATCA, it, by entering into the Transaction Documents or acquiring an interest in the Notes, authorises the amendment of the Transaction Documents to provide for such action.
- (f) It is aware that, except as otherwise provided in the Note Trust Deed, the Notes being sold to it will be represented by one or more Global Note Certificates, and that beneficial interests therein may be held only through Euroclear and Clearstream, Luxembourg or one of their nominees, as applicable.
- (g) It understands that the Issuer, the Note Trustee, the Security Trustee, the Joint Placement Agents and their counsel will rely on the accuracy and truth of the foregoing representations, and it hereby consents to such reliance. It agrees that if any of the acknowledgments, representations or warranties made or deemed to have been made by it in connection with its purchase of the Notes are no longer accurate, it will promptly notify the Issuer and the Joint Placement Agents.

Settlement

All payments shall be made in Euro in same-day funds.

DESCRIPTION OF THE CREDIT DEFAULT SWAP

The following is a summary of certain provisions of the Credit Default Swap and is qualified in its entirety by reference to the detailed provisions of the Credit Default Swap. The following summary does not purport to be complete, and prospective investors must refer to the Credit Default Swap for detailed information regarding the Credit Default Swap.

Documentation

On the Closing Date, the Issuer will enter into the Credit Default Swap with The Governor and Company of the Bank of Ireland (the "**Swap Counterparty**") pursuant to a 2002 ISDA Master Agreement, the schedule thereto and a credit default swap confirmation having an effective date (the "**Effective Date**") which is the same as the Closing Date (the "**Credit Default Swap**").

The Credit Default Swap will incorporate the 2003 ISDA Credit Derivatives Definitions (without incorporating either the 2009 ISDA Credit Derivatives Definitions Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions published on 12 March 2009 or the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the ISDA Credit Derivatives Definitions, published on 14 July 2009) (the "**2003 Definitions**"). In the event of any inconsistency between the 2003 Definitions and the Credit Default Swap, the Credit Default Swap will prevail.

Noteholders are deemed to have notice of the terms of the Credit Default Swap and the 2003 Definitions.

The Reference Portfolio

Summary of Reference Portfolio

The portfolio in respect of which the Credit Default Swap is entered into (as the same may be amended from time to time pursuant to a Reduction, Removal or Replenishment, the "**Reference Portfolio**") will, at any time, consist of a pool of credit exposures to obligors (the "**Reference Entities**") selected by the Swap Counterparty on the Portfolio Cut-Off Date and identified as such by means of a unique alpha-numeric identifier in the Reference Register and their related Reference Obligations at that time.

In respect of each Reference Entity, the Swap Counterparty has designated, in the Reference Register, one or more Reference Obligations which are identified by means of a unique alpha-numeric identifier and the applicable Reference Obligation Notional Amount in respect thereof.

The Reference Obligations comprising the Reference Portfolio may or may not have been originated or acquired by the Swap Counterparty. As at the Portfolio Cut-Off Date, each Reference Obligation in the Reference Portfolio complied with the Eligibility Criteria.

The initial Reference Entities, Reference Obligations and Reference Obligation Notional Amounts are subject to variation from time to time pursuant to any Replenishment or Reduction. A Reference Obligation may be removed from the Reference Portfolio in certain circumstances set out in the section entitled "*Removals*" in this Prospectus.

Reference Register

The Swap Counterparty is required to maintain a register in respect of each Reference Obligation and Reference Entity containing the information set out in the section entitled "*Reference Register*" in this Prospectus (such register as amended by the Swap Counterparty from time to time in accordance with the terms of the Credit Default Swap, the "**Reference Register**").

Reference Obligation Notional Amount

The "**Reference Obligation Notional Amount**" designated in respect of any Reference Obligation is the Euro amount identified as such in respect of such Reference Obligation in the Reference Register.

The Reference Obligation Notional Amount of a Reference Obligation may be reduced as a result of a Reduction or increased as a result of a Replenishment, each as described herein.

Reference Obligation Eligibility Criteria

As at the Portfolio Cut-Off Date and the relevant Allocation Date, each Obligation and, where applicable, its corresponding Reference Entities must meet the individual criteria set out in the section entitled "Eligibility Criteria" in this Prospectus.

For the purpose of determining whether a Reference Obligation complied with the Reference Obligation Eligibility Criteria, a Reference Obligation will be deemed to have satisfied the Eligibility Criteria if:

- (a) where such Reference Obligation formed part of the Reference Portfolio as of the Effective Date, unless paragraph (b) applies, it satisfied each Eligibility Criterion on the Portfolio Cut-Off Date; and
- (b) where such Reference Obligation was the subject of a Replenishment (as defined in the Credit Default Swap), it satisfied each Eligibility Criterion as of the Allocation Date in respect of such Reference Obligation.

Reference Portfolio Eligibility Criteria

On the Portfolio Cut-Off Date and each Allocation Date, the Reference Portfolio will be required to meet the criteria set out, and in the manner set out, in the section entitled "*Eligibility Criteria*" in this Prospectus (or if the Reference Portfolio did not comply with the Reference Portfolio Eligibility Criteria prior to the relevant Allocation Date (but following any Removals or Reductions on such date), the relevant Replenishment must not worsen the extent of such non compliance in respect of each Reference Portfolio Eligibility Criterion).

Replenishment

Subject to compliance with the Conditions to Replenishment, on any date prior to the earlier to occur of (i) the Initial Termination Date and (ii) the third anniversary of the Effective Date (the "**Replenishment Period End Date**"), (but no more frequently than once in each calendar month period), the Swap Counterparty will have the right, at its discretion to make changes to the composition of the Reference Portfolio by:

- (a) adding Reference Obligations relating to existing Reference Entities;
- (b) adding new Reference Entities and adding related Reference Obligations to the Reference Portfolio; or
- (c) increasing the Reference Obligation Notional Amount of any Reference Obligation then comprising part of the Reference Portfolio;

or any combination of the foregoing, each such addition or increase a "**Replenishment**", provided that the sum of the Reference Obligation Notional Amounts for all Reference Entities in the Reference Portfolio on such date would, after all such Replenishments on such date, be less than or equal to the Maximum Reference Portfolio Notional Amount.

The "**Conditions to Replenishment**" are:

- (a) the Reference Obligation which is the subject of the Replenishment satisfies the Reference Obligation Eligibility Criteria on the Replenishment Date as described in the section entitled "*Eligibility Criteria*" of this Prospectus above;
- (b) following the Replenishment, the Reference Portfolio satisfies the Reference Portfolio Eligibility Criteria or if the Reference Portfolio did not comply with the Reference Portfolio Eligibility Criteria immediately prior to the relevant Replenishment (but following any Removals or Reductions on the relevant Replenishment Date), such Replenishment does not worsen the extent of such non-compliance in respect of each Reference Portfolio Eligibility Criteria;
- (c) the First Year Loss Balance determined as at the Replenishment Date is less than or equal to 1.5 per cent. of the Initial Reference Portfolio Notional Amount;

- (d) in respect of a Replenishment Date falling after the first anniversary of the Effective Date, the Second Year Loss Balance determined as at the Replenishment Date is less than or equal to 2.0 per cent. of the Initial Reference Portfolio Notional Amount; and
- (e) in respect of a Replenishment Date falling after the second anniversary of the Effective Date, the Third Year Loss Balance determined as at the Replenishment Date is less than or equal to 2.5 per cent. of the Initial Reference Portfolio Notional Amount.

In the event that it is determined that the Conditions to Replenishment are not fulfilled as at the Replenishment Date in respect of the relevant Reference Obligation, the Conditions to Settlement in respect of such Defaulted Reference Obligation are not capable of being fulfilled and the Swap Counterparty will not be entitled to make a claim under this credit default swap transaction in respect thereof.

For the avoidance of doubt, if the Replenishment is achieved through an increase in the Reference Obligation Notional Amount of a Reference Obligation already forming part of the Reference Portfolio and it is determined that the Conditions to Replenishment were not fulfilled as at the Allocation Date in respect of such increase, the Conditions to Settlement are not capable of being fulfilled in relation to the amount of such increase but the Swap Counterparty shall still be entitled to make a claim under this credit default swap transaction in respect of the Reference Obligation Notional Amount forming part of the Reference Portfolio prior to any such increase.

Reductions

The Reference Obligation Notional Amount in respect of a Reference Obligation may be reduced in the following circumstances:

- (a) if a partial Repayment occurs in respect of a Reference Obligation, the Swap Counterparty may, but shall not be obliged to, at any time and from time to time, elect to reduce the Reference Obligation Notional Amount of such Reference Obligation with effect from the date specified by the Swap Counterparty, which may be any date on or following the date of such partial Repayment, by an amount equal to the lesser of the amount of such Repayment and such other amount as may be designated by the Swap Counterparty in its sole and absolute discretion (which may, for the avoidance of doubt, be zero);
- (b) if in respect of a Reference Obligation, the entity which was the Relevant Lender on the Allocation Date has disposed of some (but not all) of its interest in such Reference Obligation, the Reference Obligation Notional Amount of that Reference Obligation may be reduced with effect from the date specified by the Swap Counterparty, which may be any date on or following the date of such Partial Disposal, by the lesser of the amount of such Partial Disposal and such other amount as may be designated by the Swap Counterparty in its sole and absolute discretion (which may, for the avoidance of doubt, be zero);
- (c) if a Credit Event occurs in respect of a Reference Obligation, on the Date of Default in respect of such Credit Event, the Reference Obligation Notional Amount shall be reduced to an amount equal to the Defaulted Notional Amount as of such Date of Default;
- (d) if a Restructuring occurs in respect of a Reference Obligation, upon the calculation of the Final Loss Amount in respect of which the Verification Agent has delivered a Verification Report, the Reference Obligation Notional Amount of such Reference Obligation shall be reduced to the Restructured Principal Amount. Following such reduction the relevant Reference Obligation shall cease to be a Defaulted Reference Obligation and the Reference Obligation Notional Amount of such Reference Obligation may be subject to further adjustment in respect of any subsequent Reduction, Removal or Replenishment; and
- (e) if at any time the Reference Obligation Notional Amount in respect of a Reference Obligation exceeds 95% of the Relevant Lender Exposure Amount in respect of that Reference Obligation, converted, if applicable, into EUR at the prevailing spot rate for exchange determined by the Swap Calculation Agent on such date of determination, the Reference Obligation Notional Amount of that Reference Obligation may be reduced with effect from such date of determination, by the lesser of the amount of such excess and such other amount as may be

designated by the Swap Counterparty in its sole and absolute discretion (which may, for the avoidance of doubt, be zero).

Following any reduction of the Reference Obligation Notional Amount in whole, the relevant Reference Obligation shall be removed from the Reference Portfolio, but without prejudice to the ability of such Reference Obligation to be subsequently included in the Reference Portfolio to the extent that it is the subject of a Replenishment.

Removals

A Reference Obligation may be removed from the Reference Portfolio in the following circumstances:

- (a) if a Repayment in full occurs in respect of a Reference Obligation where there is no possibility of further amounts being redrawn, such Reference Obligation shall be removed from the Reference Portfolio with effect from the date specified by the Swap Counterparty, which may be any date on or following the date such Repayment in full occurred, *provided that*, for the avoidance of doubt, if a Repayment in full occurs in respect of a Reference Obligation where there is a possibility of further amounts being redrawn, the Swap Counterparty may, in its sole and absolute discretion, elect not to reduce the Reference Obligation Notional Amount of such Reference Obligation, and the relevant Reference Obligation shall remain in the Reference Portfolio;
- (b) if either:
 - (i) in respect of a Reference Obligation, the entity which was the Relevant Lender on the Allocation Date has disposed of all of its interest in such Reference Obligation (a "**Full Disposal**"); or
 - (ii) the Swap Counterparty ceases to be permitted to calculate the risk-weighted exposure amount in respect of a Reference Obligation using the "IRB Approach" pursuant to Article 143 of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (an "**IRB Approach Event**"),

the Swap Counterparty may remove such Reference Obligation from the Reference Portfolio with effect from the date specified by the Swap Counterparty, which may be any date on or following the date of such Full Disposal or IRB Approach Event, *provided that*, in respect of an IRB Approach Event, the Swap Counterparty shall be required to procure that the Verification Agent verifies the occurrence of an IRB Approach Event;

- (c) if a Reference Obligation becomes a Verified Reference Obligation, such Verified Reference Obligation shall be removed from the Reference Portfolio with effect from the date on which the relevant Verification Report is delivered to the Swap Counterparty and the Issuer, *provided that*, for the purposes of calculating the Portfolio Amortisation Amount, the amount of such Removal shall be the Reference Obligation Notional Amount applying immediately prior to such Removal minus the Final Loss Amount in respect of such Verified Reference Obligation; and
- (d) if, at any time the Swap Counterparty becomes aware that a Reference Obligation did not satisfy the Reference Obligation Eligibility Criteria on its Allocation Date or, if such Reference Obligation was the subject of a Replenishment, such Replenishment did not satisfy the Conditions to Replenishment on the relevant Replenishment Date (such Reference Obligation, a "**Non-Compliant Obligation**"), then such Reference Obligation shall immediately be removed from the Reference Portfolio, *provided that*:
 - (i) where more than one Replenishment could potentially have caused the Conditions to Replenishment not to have been met on a given Replenishment Date, the Swap Counterparty shall determine which Reference Obligation(s) caused the Conditions to Replenishment not to have been met (and which will, therefore, constitute Non-Compliant Obligations), beginning with the most recent Replenishment which caused the Conditions to Replenishment not to be met and ending with the earliest Replenishment which caused the Conditions to Replenishment not to have been met; and

- (ii) in making such determinations, the Swap Counterparty shall make all necessary calculations by reference to the correct information (in each case as determined in accordance with the files and/or systems of the Swap Counterparty, which determination in the absence of manifest error shall be conclusive and binding on the Issuer) in respect of each Reference Obligation as it should have applied on the relevant Replenishment Date. Once designated as a Non-Compliant Obligation:
 - (A) if the Non-Compliant Obligation was added to the Reference Portfolio on the relevant Replenishment Date, then such obligation will be deemed with immediate effect to no longer be in the Reference Portfolio; and
 - (B) if the Non-Compliant Obligation was already in the Reference Portfolio on the relevant Replenishment Date and its Reference Obligation Notional Amount was increased on the relevant Replenishment Date, then such obligation will remain in the Reference Portfolio with the Reference Obligation Notional Amount deemed with immediate effect to be an amount equal to the Reference Obligation Notional Amount applying immediately prior to the relevant Replenishment Date.

Servicing

The administration, collection and enforcement of each Reference Obligation, including the enforcement of any related Reference Collateral, shall be carried out to a standard consistent with the Servicing Principles as in force from time to time or equivalent credit and collection process and servicing principles.

The administration, collection and enforcement of each Reference Obligation, including the enforcement of any security granted in respect thereof, shall be carried out by The Governor and Company of the Bank of Ireland or such other person as may service such Reference Obligation from time to time.

The Reference Obligations may from time to time be secured by the Reference Collateral. The principles of the allocation of the proceeds from the Reference Collateral to the Reference Obligations are set out in the section headed "*Servicing Principles*" in this Prospectus.

Fixed Amount

As the buyer of credit protection, the Swap Counterparty will make periodic payments of the Fixed Amount to the Issuer. The Fixed Amount will be payable on each date falling two Business Days prior to 28 January, 28 April, 28 July and 28 October in each year from, and including the date falling two Business Days prior to 28 April 2017 to (and including) the day falling two Business Days prior to the Termination Date (each such date, a "**Fixed Rate Payer Payment Date**").

"**Fixed Amount**" for any Fixed Rate Payer Payment Date means the amount determined by the Swap Calculation Agent, to be the sum of:

- (a) the Fixed Component Amount in respect of that Fixed Rate Payer Payment Date;
- (b) the Make-Up Fixed Amount (if any) determined in respect of any Defaulted Reference Obligations which became Verified Reference Obligations or in respect of which a Failure to Pay Credit Event has been Cured during the Fixed Rate Payer Calculation Period immediately preceding that Fixed Rate Payer Payment Date; and
- (c) the Negative Fixed Amount Shortfall (if any) determined in respect of the immediately preceding Fixed Rate Payer Payment Date,

provided that the Fixed Amount payable in respect of any Fixed Rate Payer Payment Date may not be less than zero. If, but for this proviso, the Fixed Amount payable in respect of any Fixed Rate Payer Payment Date would be less than zero, such negative amount shall constitute the "**Negative Fixed Amount Shortfall**" in respect of that Fixed Rate Payer Payment Date. For the avoidance of doubt, the Negative Fixed Amount Shortfall shall be expressed as a negative amount.

Credit Events

A "**Credit Event**" means the occurrence of a Bankruptcy, Failure to Pay or Restructuring in respect of a Reference Obligation or the Reference Entity in respect thereof. For this purpose:

"**Bankruptcy**" means a Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;
- (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) to (g) (inclusive).

"**Failure to Pay**" means, after the expiration of the longer of any applicable grace period (after the satisfaction of any conditions precedent to the commencement of such grace period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than EUR 500 under one or more Reference Obligations, in accordance with the terms of such Reference Obligations at the time of such failure.

"**Restructuring**" means, in respect of a Reference Obligation, a form of forbearance which binds the Relevant Lender and the Reference Entity comprising the write-down or postponement of principal, interest or fees, which event is directly or indirectly a result of a deterioration in the creditworthiness or financial condition of the Reference Entity, and that results in a Credit Loss Event in respect of such Reference Obligation, *provided that* the same is effected:

- (a) in accordance with the credit and accounting process of the Relevant Lender as in force from time to time and with regard to the standards of a reasonable and prudent lending bank (disregarding for such purposes the effect of the credit protection provided by this credit default swap transaction in respect of such Reference Obligation but taking into account any security allocable to that Reference Obligation); and
- (b) with the intent that such Restructuring is to minimise the quantum of loss in respect of such Reference Obligation.

Cure of Credit Event

With respect to a Failure to Pay Credit Event, if a Credit Event Notice is delivered and the related Credit Event is Cured, then the Swap Counterparty may by notice to the Issuer, the Note Trustee, the Swap Calculation Agent and the Transaction Administrator, retract the Credit Event Notice delivered in relation thereto. With effect from the Business Day immediately following the day on which such notice is given, such Credit Event Notice shall be deemed to be rescinded and shall have no effect, and each Reference Obligation that was the subject of such Credit Event Notice and has been Cured during the Replenishment Period shall remain in the Reference Portfolio and shall no longer be considered a Defaulted Reference Obligation and may, therefore, be the subject of a further Credit Event Notice. If an Initial Loss Amount has been determined with respect to any Reference Obligation which has subsequently been Cured, on the Observation Date immediately following the date on which the notice retracting the Failure to Pay Credit Event is given, a Final Loss Amount of EUR0 shall be deemed to have been determined in respect of such Reference Obligation in relation to the Credit Event that has been cured (and without prejudice to any further Credit Event in respect of the relevant Reference Obligation).

Potential Failure to Pay Credit Event

If, (a) on any day prior to the day falling 21 calendar days following the earlier of the Scheduled Termination Date or any Fixed Rate Payer Payment Date falling on or following the occurrence of an Optional Early Termination Event (such date, a **"Swap Optional Early Termination Date"**) (as applicable) (the **"Notice Delivery Period End Date"**), there exists a Potential Failure to Pay with respect to any Reference Obligation, and (b) the Swap Counterparty has delivered notice to the Issuer (with a copy to the Swap Calculation Agent, the Transaction Administrator and the Note Trustee) in respect of such Potential Failure to Pay Credit Event, the Notice Delivery Period in respect of the relevant Reference Obligation shall be extended to the date that is the number of days in the Grace Period after the date of the relevant Potential Failure to Pay (the **"Grace Period Extension Date"**).

The Issuer may be liable to pay a Cash Settlement Amount determined to be due to the Swap Counterparty under the Credit Default Swap if a Credit Event occurs thereunder on or prior to such Grace Period Extension Date.

Settlement Terms

Calculation of Periodic Loss Amounts and Periodic Synthetic Excess Spread Amount

On each Fixed Rate Payer Payment Date (each such date being, for these purposes, a **"Cash Settlement Date"**) the Issuer shall pay certain amounts to the Swap Counterparty in respect of the aggregate loss amounts in respect of the Defaulted Reference Obligations in the Reference Portfolio determined during the Observation Period related to such Cash Settlement Date (such amount, the Periodic Loss Amount, as set out in more detail below), *provided that* the Issuer shall only be liable to pay such amount to the extent that, on each Cash Settlement Date, it is greater than the sum of the applicable Periodic Synthetic Excess Spread Amount and the Remaining Threshold Amount.

In respect of the last calendar day of each March, June, September and December from and including 31 March 2017 to and including the Termination Date (the **"Observation Dates"**), the Swap Calculation Agent will calculate the **"Periodic Loss Amount"**, which will be equal to:

- (a) the sum of: (i) the aggregate of all the Initial Loss Amounts (if applicable, as re-calculated following delivery of a Restructuring Notice) determined in respect of all Defaulted Reference Obligations *plus* (ii) the aggregate of all positive and negative Adjustment Amounts determined in respect of all Verified Reference Obligations and Reference Obligations in respect of which a Failure to Pay Credit Event has been Cured, in each case determined on or prior to the related Observation Date (in respect of such Observation Date, the **"Cumulative Loss Amount"**); *minus*
- (b) the Cumulative Loss Amount on the previous Observation Date (or, in respect of the first Observation Date, zero).

The **"Periodic Synthetic Excess Spread Amount"** is an amount equal to:

- (a) in respect of each Observation Period immediately following a Periodic Synthetic Excess Spread Reset Date, the product of:
 - (i) the sum of the Remaining Threshold Amount, the Protected Tranche Notional Amount and the Senior Tranche Notional Amount on the first day of such Observation Period; and
 - (ii) as applicable, either:
 - (A) in respect of the first Observation Period, the product of (x) 0.6 per cent. and (y) the Synthetic Excess Spread Day Count Fraction; or
 - (B) otherwise, 0.3 per cent.; and
- (b) in respect of any other Observation Period, an amount equal to the greater of:
 - (i) zero; and
 - (ii) the Periodic Synthetic Excess Spread Amount calculated in respect of the Observation Period immediately following the immediately preceding Periodic Synthetic Excess Spread Reset Date minus the greater of:
 - (A) zero; and
 - (B) the Periodic Loss Amount in respect of the immediately preceding Cash Settlement Date.

Conditions to Settlement

Losses in respect of a Reference Obligation will be included in the calculation of the Periodic Loss Amount if the following conditions (the "**Conditions to Settlement**") are satisfied:

- (i) the Swap Counterparty has, within 90 Business Days of the Date of Default in respect of a Reference Obligation, delivered a related Credit Event Notice to the Issuer (copied to the Verification Agent) during the period (the "**Notice Delivery Period**") commencing on, and including, the Closing Date and ending on, and including, the day falling 21 calendar days following the earlier of:
 - (a) the Scheduled Redemption Date, and
 - (b) the Swap Optional Early Termination Date,
 (the "**Notice Delivery Period End Date**"), or, in respect of any Potential Defaulted Reference Obligation in respect of which a Potential Failure to Pay Extension Notice is delivered on or before the Notice Delivery Period End Date, to and including the Grace Period Extension Date in respect of such Potential Defaulted Reference Obligation, *provided that*, no Credit Event Notice may be delivered in respect of a Reference Obligation in relation to which a Failure to Pay or Potential Failure to Pay has occurred prior to the Allocation Date of such Reference Obligation, and is continuing; and
- (ii) the Verification Agent has delivered a notice to the Issuer, the Transaction Administrator, the Notes Calculation Agent and the Note Trustee verifying:
 - (A) the occurrence of a Credit Event in respect of that Reference Obligation;
 - (B) subject to the final paragraph of the section titled "Replenishment" above, that all Eligibility Criteria (other than item 7 of the Reference Obligation Eligibility Criteria) in respect of the Reference Obligation to which the Credit Event relates were satisfied on the Allocation Date for such Reference Obligation;
 - (C) if the Reference Obligation affected by such Credit Event was the subject of a Replenishment, that the Conditions to Replenishment were satisfied in respect of such Replenishment;

- (D) that the Reference Obligation affected by such Credit Event was included in the Reference Portfolio at the time of the Credit Event; and
- (E) that the Initial Loss Amount has been calculated in compliance with the definition of "Initial Loss Amount"
- (F) that the Defaulted Notional Amount of the Reference Obligation affected by such Credit Event is not greater than 95 per cent. of the Relevant Lender Exposure Amount for that Reference Obligation on the applicable Date of Default, converted, if applicable, into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the Date of Default.

For the purpose of verifying the matters referred to in subparagraphs (ii)(A) to (F), the Verification Agent will rely on information available from the books and records of the Swap Counterparty.

A "**Credit Event Notice**" must contain confirmation from the Swap Calculation Agent of the occurrence or existence of a Credit Event:

- (i) in respect of a Reference Obligation which was in the Reference Portfolio on the Portfolio Cut-Off Date, on or after the Effective Date; and
- (ii) in respect of any other Reference Obligation, on or after the Allocation Date in respect of that Reference Obligation.

For the avoidance of doubt, following the occurrence of a Restructuring Credit Event, the Defaulted Reference Obligation will remain in the Reference Portfolio with a Reference Obligation Notional Amount equal to the Restructured Principal Amount and may be subject to further Credit Events.

The Conditions to Settlement may be satisfied more than once in relation to the Reference Portfolio under this Transaction, but, other than following a Restructuring Credit Event, only once with respect to any Reference Obligation unless the relevant Credit Event in relation to such Reference Obligation is a Failure to Pay which has been subsequently Cured.

If a Credit Event Notice has been delivered in respect of a Failure to Pay Credit Event and subsequently, before the Work Out Completion Date in respect of the Credit Event, a Restructuring Credit Event occurs in respect of that Defaulted Reference Obligation, the Swap Counterparty may deliver a notice (a "**Restructuring Notice**") to the Issuer specifying that such Defaulted Reference Obligation shall be treated as being a Defaulted Reference Obligation in respect of which a Restructuring Credit Event has occurred, and attaching a new Credit Event Notice in respect of the Restructuring Credit Event. Upon delivery of a Restructuring Notice, such Defaulted Reference Obligation will no longer be treated as a Failure to Pay Credit Event for the purposes of this Transaction and the Credit Event Notice in respect of the Failure to Pay Credit Event shall be disregarded, and, to the extent that an Initial Loss Amount has been determined in respect of the Failure to Pay Credit Event, such Initial Loss Amount shall be re-calculated and, for the avoidance of doubt, the Cumulative Loss Amount shall thereafter be calculated using the re-calculated Initial Loss Amount.

Within 90 Business Days following the Event Determination Date in respect of a Reference Obligation in respect of which a Credit Event has occurred, the Swap Calculation Agent will determine the Initial Loss Amount in respect of such Defaulted Reference Obligation.

Calculation of Loss Amounts

The Initial Loss Amount is determined by multiplying the Defaulted Notional Amount in respect of that Defaulted Reference Obligation, as of the Date of Default, by:

- (a) where the Credit Event is a Failure to Pay or a Bankruptcy Credit Event, a percentage equal to (i) an estimate of what would constitute the Relevant Lender's Credit Provisions in respect of that Defaulted Reference Obligation as a consequence of the Credit Event, divided by (ii) the total principal outstanding amount of such Defaulted Reference Obligation to which the Relevant Lender is exposed as of the Date of Default, together with an additional amounts drawn

following that date pursuant to a commitment which the Relevant Lender was not entitled to cancel; or

- (b) where the Credit Event is a Restructuring Credit Event, a percentage equal to (i) the quantum of the value adjustment or other similar debit to the profit and loss account of the Relevant Lender in respect of that Defaulted Reference Obligation, divided by (ii) the total principal outstanding amount (including capitalised interest) of such Defaulted Reference Obligation to which the Relevant Lender is exposed as of the Date of Default, together with any interest in respect of such Defaulted Reference Obligation which had accrued but was unpaid on the applicable Date of Default and any additional amounts which are drawn in respect of that Defaulted Reference Obligation after the applicable Date of Default and on or prior to that date of determination pursuant to a commitment which the Relevant Lender was not entitled to cancel as a consequence of the occurrence of the Credit Event, calculated in accordance with international accounting standards.

Promptly following the earlier to occur of:

- (a) the date falling 60 calendar days prior to the Final Termination Date (the "**Backstop Work Out Completion Date**"); and
- (b) the date on which the Swap Calculation Agent determines, by reference to its "Credit MI" system (or any replacement therefor) that the Relevant Lender is not expected to make any further recoveries in respect of the relevant Credit Event,

(such date, the "**Work Out Completion Date**" and such Defaulted Reference Obligation, a "**Worked Out Reference Obligation**"), the Swap Calculation Agent will determine the Final Loss Amount in respect of such Defaulted Reference Obligation.

For the purpose of determining the Final Loss Percentage, if the Work Out Completion Date occurs on the Backstop Work Out Completion Date, the Recoveries in respect of the Credit Event shall be the amount which the Swap Calculation Agent determines would ultimately constitute the Recoveries upon the completion of the workout in respect of that Credit Event in a manner consistent with the Servicing Principles if the Work Out Completion Date did not occur on the Backstop Work Out Completion Date, which determination shall be determined on a commercially reasonable basis and based on estimates provided to the Swap Calculation Agent by the Relevant Lender.

Within 30 Business Days of determination by the Swap Counterparty of a Final Loss Amount in respect of a Credit Event, the Swap Counterparty shall instruct the Verification Agent to conduct a review of the relevant Worked Out Reference Obligation and deliver to the Swap Counterparty, by no later than the second Business Day prior to the Final Termination Date (the "**Verification Cut-Off Date**"), a written report (a "**Verification Report**") which:

- (a) confirms that the Final Loss Amount has been calculated in compliance with the definition of "Final Loss Amount"; or
- (b) where the Verification Agent is initially not able to confirm (a) above, confirms that the Swap Counterparty has recalculated such Final Loss Amount in compliance with the definition set out under "Final Loss Amount" below,

(such verified Worked Out Reference Obligation, a "**Verified Reference Obligation**"). The Swap Counterparty shall procure that a copy of the Verification Report is delivered simultaneously to the Issuer, the Transaction Administrator, Notes Calculation Agent and the Note Trustee.

In respect of each Verified Reference Obligation or Reference Obligation in respect of which a Failure to Pay Credit Event has been Cured, as applicable, the Swap Calculation Agent will determine the "**Adjustment Amount**" by subtracting the Initial Loss Amount from the Final Loss Amount.

Calculation of Cash Settlement Amount and Cash Settlement Reimbursement Amount

If the Periodic Loss Amount in respect of an Observation Date is greater than zero, the Swap Calculation Agent will then determine the amount equal to the lesser of:

- (a) the Periodic Loss Amount in respect of such Observation Date *minus* the sum of:
 - (i) the Periodic Synthetic Excess Spread Amount in respect of that Observation Date; and
 - (ii) (in order to discount amounts which are included in the Periodic Loss Amount but to which the Periodic Synthetic Excess Spread has been applied in respect of previous Cash Settlement Dates) the Remaining Threshold Amount as of the immediately preceding Observation Date (after adjustment), and
- (b) the Protected Tranche Notional Amount as of the immediately preceding Observation Date (after adjustment).

subject to a minimum of zero (the "**Cash Settlement Amount**"), such amount being due and payable from the Issuer to the Swap Counterparty on such Cash Settlement Date.

If the Periodic Loss Amount in respect of a Cash Settlement Date is less than or equal to zero, the absolute value of such Period Loss Amount minus the Senior Tranche Reimbursement Amount in respect of the relevant Observation Date (the "**Cash Settlement Reimbursement Amount**") shall be due and payable from the Swap Counterparty to the Issuer on such Cash Settlement Date, provided that the sum of all Cash Settlement Reimbursement Amounts determined on or prior to such Observation Dates shall not exceed the sum of all Cash Settlement Amounts in respect of such Observation Date or all previous Observation Dates.

The obligation of the Issuer to pay Cash Settlement Amounts to the Swap Counterparty exists regardless of whether the Swap Counterparty suffers a loss or is exposed to the risk of loss following the occurrence of a Credit Event, and regardless of whether the Swap Counterparty has any legal or beneficial interest in any obligations of any Reference Entity or any economic risk in respect thereof. If the Swap Counterparty transfers any beneficial interest in any obligation of a Reference Entity or any economic risk in respect thereof to another person or entity, the Swap Counterparty will not, directly or indirectly (including through any indemnity or representation as to collectability made in any agreement providing for such transfer), transfer to or otherwise vest in such person or entity, any interest in, or any benefit of, the Credit Default Swap for the portion of beneficial interest or economic risk that has been transferred.

For avoidance of doubt, the occurrence of a Credit Event in respect of a particular Reference Entity (and any required payment by the Issuer of any Cash Settlement Amount to the Swap Counterparty in respect of such Credit Event) shall not entitle the Issuer to terminate the Credit Default Swap or relieve the Issuer from any obligation, which would otherwise arise, to pay any other Cash Settlement Amounts in respect of any subsequent Credit Events in relation to any other Reference Entities.

Termination of the Credit Default Swap

General Terms

The Credit Default Swap will terminate on the earliest to occur of:

- (a) 29 December 2024 (the "**Scheduled Termination Date**");
- (b) an Early Termination Date;
- (c) the Swap Optional Early Termination Date; and
- (d) the Protected Tranche Final Exhaustion Date,

(the "**Initial Termination Date**") provided that, if on the Initial Termination Date there are one or more Defaulted Reference Obligations which have not yet become Worked Out Reference Obligations, the Termination Date shall occur on the earliest to occur of:

- (i) the Protected Tranche Final Exhaustion Date;

- (ii) the date falling 24 months after the earlier to occur of the Scheduled Termination Date and the Swap Optional Early Termination Date (the "**Final Termination Date**"); and
- (iii) the Observation Date which occurs on or follows the first date on which all such Defaulted Reference Obligations have become Verified Reference Obligations.

For the avoidance of doubt, a Cash Settlement Date may occur after the Termination Date and the parties' obligations do not cease on the Termination Date.

Swap Optional Early Termination Date

The Swap Counterparty may elect, upon not less than 30 Business Days' written notice (an "**Optional Early Termination Notice**") to the Issuer, to terminate the Credit Default Swap in whole (but not in part) on any Fixed Rate Payer Payment Date falling on or following the occurrence of one of the following events (such date, a "**Swap Optional Early Termination Date**");

- (a) the Swap Calculation Agent determines, with respect to any Observation Date on or after the Observation Date falling in December 2019, that the IRR Condition would be satisfied on such date (an "**Optional Call Event**");
- (b) on or after the Effective Date and in the sole opinion of the Swap Counterparty (as certified in writing to the Issuer by two senior officers of the Swap Counterparty), there is:
 - (i) an enactment of, supplement to, amendment to or change of any:
 - (A) applicable law, policy or regulation; or
 - (B) guidelines or instructions of any relevant international or Irish body or other regulator in any applicable jurisdiction (including any relevant international or Irish banking regulator, central banks or other authority responsible for bank regulations, including without limitation, the Central Bank of Ireland or the European Central Bank (or any successors thereto)),
 (together, the "**Bank Regulations**") applicable to the Swap Counterparty and/or any member of the BOI Group;
 - (ii) an official communication of previously not existing or not publicly available official interpretation of such Bank Regulations; or
 - (iii) a change in the official interpretation, implementation or application of such Bank Regulations,

which becomes effective after the Effective Date and results in, or would result in, an adverse and material change in the regulatory capital treatment of the Credit Default Swap for the Swap Counterparty pursuant to applicable capital adequacy requirements or regulations as compared with the capital treatment anticipated by the Swap Counterparty on the Effective Date; or

- (c) the occurrence of the date on which the Reference Portfolio Notional Amount has been reduced to or below ten per cent. of the Initial Reference Portfolio Notional Amount,

subject to, where such Optional Early Termination Notice is delivered in connection with an Optional Call Event, the Verification Agent notifying the Swap Counterparty and the Issuer not later than the tenth calendar day prior to such Swap Optional Early Termination Date (the "**IRR Verification Due Date**") that the IRR Condition was satisfied in respect of the Observation Date immediately preceding such Swap Optional Early Termination Date. For the avoidance of doubt, where an Optional Early Termination Notice is delivered by the Swap Counterparty in connection with an Optional Call Event: (i) if the IRR Condition is satisfied on the relevant Observation Date, the Swap Optional Early Termination Date will occur; and (ii) if the IRR Condition is not satisfied on the relevant Observation Date, no Swap Optional Early Termination Date will occur in connection with that Optional Early Termination Notice, but without prejudice to the Swap Counterparty's right to deliver a subsequent Optional Early Termination Notice.

Early Termination Date

An "**Early Termination Date**" may be designated (to occur no later than the Observation Date immediately succeeding the occurrence of any of the following events) by either:

- (a) the Issuer, under the Credit Default Swap, upon the occurrence of:
 - (i) a Swap Event of Default with respect to the Swap Counterparty (and, in such circumstances, the Early Termination Date shall be designated to occur no later than two Business Days after the relevant Swap Event of Default);
 - (ii) the contractual performance of the Issuer's or the Swap Counterparty's obligations becoming illegal (as more fully described in the Credit Default Swap);
 - (iii) the delivery of a Security Enforcement Notice by the Security Trustee pursuant to the Security Trust Deed;
 - (iv) the occurrence of a Tax Redemption Event under the Notes;
 - (v) failure by the Swap Counterparty to make any payment to the Issuer when due under the Fee Letter; or
- (b) the Swap Counterparty, under the Credit Default Swap, upon the occurrence of:
 - (i) a Swap Event of Default with respect to the Issuer;
 - (ii) the contractual performance of the Issuer's or the Swap Counterparty's obligations becoming illegal (as more fully described in the Credit Default Swap);
 - (iii) a Force Majeure Event in respect of the Issuer;
 - (iv) a Swap Tax Event;
 - (v) the delivery of a Security Enforcement Notice to the Security Trustee pursuant to the Security Trust Deed;
 - (vi) the occurrence of a Tax Redemption Event under the Notes.

"Force Majeure Event" means any event which, by reason of force majeure or act of state occurring after the Closing Date, on any day prevents a party from performing any absolute or contingent obligation to make a payment or delivery in respect of the Credit Default Swap, from receiving a payment or delivery in respect of the Credit Default Swap or from complying with any other material provision of the Credit Default Swap (or would be so prevented if such payment, delivery or compliance were required on that day), or makes it impossible or impracticable for such party so to perform, receive or comply (or it would be impossible or impracticable for such party so to perform, receive or comply if such payment, delivery or compliance were required on that day), **provided that** such force majeure or act of state is beyond the control of such party and such party could not, after using all reasonable efforts (which will not require such party to incur a loss, other than immaterial, incidental expenses), overcome such prevention, impossibility or impracticability.

A "**Swap Event of Default**" means:

- (a) with respect to the Issuer only, (1) a payment default (continuing for 5 Business Days, or more), and (2) certain bankruptcy-related events, and
- (b) with respect to the Swap Counterparty only, (1) a payment default (continuing for 5 Business Days, or more), (2) certain bankruptcy-related events, (3) misrepresentation, (4) breach of agreement or repudiation of agreement and (5) merger without assumption of the Swap Counterparty's liabilities under the Credit Default Swap (each as more fully described in the Credit Default Swap).

The occurrence of a Swap Acceleration Date or a Swap Optional Early Termination Date under the Credit Default Swap will result in the occurrence of the Early Redemption Date under Condition 6.4 (*Mandatory*

Redemption of the Notes following Swap Acceleration Event or designation of a Swap Optional Early Termination Date) and the Notes will be redeemed in accordance with the Conditions.

See "Description of the Credit Default Swap – General Terms – Termination of the Credit Default Swap" for a description of the circumstances in which the Issuer may remain liable to make cash settlement amount payments after the Notes Termination Date.

Payments upon Early Termination

Upon the early termination of the Credit Default Swap, the parties shall be obliged to make the following payments in respect of the Credit Default Swap:

- (a) the Swap Counterparty will remain liable to pay the Fixed Amounts and Cash Settlement Reimbursement Amounts, if any, which would, but for the occurrence or designation of the Early Termination Date, be payable (and which have not been paid) by the Swap Counterparty on each Cash Settlement Date occurring on or prior to the final Cash Settlement Date on which all positive Cash Settlement Amounts, if any, relating to such Credit Event Notice(s) referred to in sub-paragraph (b) below have become eligible for payment and, without duplication of any of the above, any amounts payable to the Issuer under the Credit Default Swap but which remain unpaid; and
- (b) the Issuer shall remain liable to pay (i) with respect to all Credit Event Notices duly delivered within the Notice Delivery Period, (and subject to the fulfilment of any other applicable Conditions to Settlement) all Cash Settlement Amounts due in respect of such Credit Event Notices on the relevant Cash Settlement Date pursuant to the terms of the Credit Default Swap and which have not been paid; and (ii) without duplication, any other amounts payable to the Swap Counterparty under the Credit Default Swap but which are unpaid.

Reporting

The Swap Counterparty shall deliver to the Issuer and the Transaction Administrator and the Note Calculation Agent, or shall procure the delivery of:

- (a) on or around the 20th Business Day of each calendar month from and including January 2017 (each, a "**Replenishment Reporting Date**"), a report (the "**Replenishment Report**") disclosing in respect of the preceding calendar month:
 - (i) the Reference Register as of the last day of such calendar month;
 - (ii) a summary of any Reductions, Removals and Replenishments that occurred during such calendar month; and
 - (iii) a summary of the Reference Portfolio by reference to the Reference Portfolio Eligibility Criteria, including, for any Replenishments, by reference to the Reference Portfolio Eligibility Criteria immediately prior to and immediately following such Replenishment; and
- (b) on or around each Cash Settlement Date (each, an "**Investor Reporting Date**"), a report (the "**Investor Report**") disclosing in respect of the Observation Period immediately preceding such Investor Reporting Date:
 - (i) for each Defaulted Reference Obligation where such information is available on the relevant Investor Reporting Date:
 - (A) the Date of Default for such Defaulted Reference Obligation;
 - (B) the Event Determination Date;
 - (C) the type of Credit Event;
 - (D) the Defaulted Notional Amount;
 - (E) the Initial Loss Amount;

- (F) in respect of a Reference Obligation that is a Worked Out Reference Obligation, the Work Out Completion Date, the Final Loss Amount and the Adjustment Amount; and
- (ii) any other information which the Swap Counterparty considers to be relevant, in its sole and absolute discretion.

Tax Provisions

Issuer

If any payment obligation of the Issuer under the Credit Default Swap is subject to, or becomes subject to, any deduction or withholding for or on account of any Tax, the Issuer will not be obliged to and will not gross up the relevant amount, and the Swap Counterparty will receive such amount *less* the amount of any such deduction or withholding.

The Swap Counterparty may, however, in such circumstances elect to terminate the Credit Default Swap (as set out in more detail in the Credit Default Swap).

Swap Counterparty

If any payment obligation of the Swap Counterparty under the Credit Default Swap is subject to, or becomes subject to, any deduction or withholding for or on account of any Tax which is required by law, the Swap Counterparty shall (to the extent permissible by applicable law and regulation) gross up the relevant amount by paying such additional amounts to the Issuer as are necessary to ensure that the net amount actually received by the Issuer (after payment of any such deduction or withholding for or on account of any Tax) will equal the full amount the Issuer would have received had no such deduction or withholding been required.

If the Swap Counterparty is required to pay additional amounts to the Issuer or will be obliged to receive payments from the Issuer subject to the deduction of any amount as a result of any Tax, the Swap Counterparty may, terminate the Credit Default Swap (as set out in more detail in the Credit Default Swap).

Governing Law

The Credit Default Swap will be governed by, and shall be construed in accordance with, the laws of England. Each of the Issuer and the Swap Counterparty submits to the jurisdiction of the English courts in connection with the Credit Default Swap.

Additional Definitions

"**Allocation Date**" means, in respect of each Reference Obligation:

- (a) subject to sub-paragraph (c), if that Reference Obligation was included in the Reference Portfolio on the Effective Date, the Portfolio Cut-Off Date;
- (b) subject to sub-paragraph (c), if that Reference Obligation was added to the Reference Portfolio as a Replenishment (as defined in the Credit Default Swap), the relevant Replenishment Date (as defined in the Credit Default Swap); and
- (c) if the Reference Obligation Notional Amount of such Reference Obligation was increased pursuant to a Replenishment, the relevant Replenishment Date on which such increase occurred, provided that, if the Replenishment is achieved through an increase in the Reference Obligation Notional Amount of a Reference Obligation already forming part of the Reference Portfolio and it is determined that the Conditions to Replenishment were not fulfilled as at the Allocation Date in respect of such increase, the Conditions to Settlement are not capable of being fulfilled in relation to the amount of such increase but the Swap Counterparty shall still be entitled to make a claim under the Credit Default Swap in respect of the Reference Obligation Notional Amount forming part of the Reference Portfolio prior to any such increase, and in these circumstances the Allocation Date for that Reference Obligation shall be the Allocation Date for that Reference Obligation prior to the failed Replenishment.

"Amortisation Date" means each Observation Date which occurs after the Replenishment Period End Date.

"Business Day" means any TARGET Day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange currency deposits) in Dublin and London.

"Credit Loss Event" means, in respect of a Reference Obligation, a value adjustment or other similar debit, calculated in accordance with international accounting standards, to the profit and loss account of the Relevant Lender in respect of that Reference Obligation.

"Credit Loss Event Percentage" means, in respect of the relevant Defaulted Reference Obligation, an amount, expressed as a percentage, equal to:

- (a) the quantum of the Credit Loss Event in respect of that Defaulted Reference Obligation; *divided by*
- (b) the Relevant Lender Exposure Amount in respect of such Reference Obligation.

"Credit Provisions" means, in respect of a Defaulted Reference Obligation in respect of which a Bankruptcy Credit Event or a Failure to Pay Credit Event has occurred, the amount of all credit provisions and writedowns in respect of that Defaulted Reference Obligation as a consequence of the relevant Credit Event, in each case as calculated in accordance with international accounting standards, converted, if applicable, into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the Date of Default.

"Date of Default" means, in respect of a Defaulted Reference Obligation and a Credit Event, the date on which such Credit Event occurred as determined by the Calculation Agent by reference to its "Credit MI" system (or any replacement therefor).

"Defaulted Notional Amount" means, in respect of a Defaulted Reference Obligation and on any date of determination, an amount equal to the lesser of:

- (a) the Reference Obligation Notional Amount in respect of that Defaulted Reference Obligation on the applicable date of determination; and
- (b) 95 per cent of the Relevant Lender Exposure Amount in respect of that Defaulted Reference Obligation on the applicable date of determination, converted, if applicable, into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the relevant determination date.

"Defaulted Reference Obligation" means a Reference Obligation in respect of which the Conditions to Settlement have been satisfied.

"EURIBOR Rate" means in respect of any Fixed Rate Payer Calculation Period, the EUR-EURIBOR-Reuters rate for a Designated Maturity of three months and a Reset Date occurring on the first day of such Fixed Rate Payer Calculation Period. Terms used in this provision have the meanings given to them in the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.

"Event Determination Date" means, in relation to a Credit Event and subject to the provisions set forth in the Credit Default Swap for the term "**Cured**", the date on which the Credit Event Notice is delivered by the Swap Counterparty to the Issuer, the Transaction Administrator, the Swap Calculation Agent and the Note Trustee.

"Final Loss Amount" means, in respect of a Worked Out Reference Obligation, an amount determined by the Swap Calculation Agent within 60 calendar days of the relevant Work Out Completion Date and which is equal to the product of:

- (a) the Final Loss Percentage in respect of that Defaulted Reference Obligation; and

- (b) the lesser of:
 - (A) the Defaulted Notional Amount in respect of that Worked Out Reference Obligation as at the Date of Default; and
 - (B) the Defaulted Notional Amount in respect of that Worked Out Reference Obligation as at the Work Out Completion Date,

provided that, if the Worked Out Reference Obligation does not become a Verified Reference Obligation prior to or on the Verification Cut-Off Date, the Final Loss Percentage shall be zero whereupon such Worked Out Reference Obligation shall be deemed to be a Verified Reference Obligation.

"Final Loss Percentage" means:

- (a) In respect of a Worked Out Reference Obligation in respect of a Failure to Pay or Bankruptcy Credit Event, a percentage equal to 100 per cent *minus*:
 - (i) the Recoveries in respect of that Worked Out Reference Obligation as at the applicable Work Out Completion Date; divided by
 - (ii) the Relevant Lender Exposure Amount in respect of that Worked Out Reference Obligation as at the applicable Date of Default, each converted, if applicable, into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the Work-Out Completion Date
 (expressed as a percentage); and
- (b) in respect of a Defaulted Reference Obligation in respect of which a Restructuring Credit Event occurred, a percentage equal to the Credit Loss Event Percentage as at the Work Out Completion Date for that Defaulted Reference Obligation. For the purposes of determining the Credit Loss Event Percentage under this definition, any amounts which are in a currency other than EUR shall be converted into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the Work Out Completion Date.

The Final Loss Percentage may not be less than zero per cent or greater than 100 per cent.

"First Year Loss Balance" means, on any date of determination, an amount equal to the sum of the Initial Loss Amounts and, following delivery of a Verification Report in respect of the relevant Defaulted Reference Obligation, the Adjustment Amounts in respect of all Defaulted Reference Obligations in respect of which the Date of Default occurred during the period from (and including) the Effective Date to (and including) the first anniversary of the Effective Date.

"Fixed Component Amount" means, in respect of each Fixed Rate Payer Payment Date, an amount equal to the product of:

- (a) the Protected Tranche Notional Amount on the first day of the Fixed Rate Payer Calculation Period immediately preceding that Fixed Rate Payer Payment Date;
- (b) the Fixed Rate; and
- (c) the Fixed Rate Day Count Fraction.

"Fixed Rate" means, in respect of each Fixed Rate Payer Payment Date occurring prior to or on the Initial Termination Date, 11.50 per cent, and in respect of each Fixed Rate Payer Payment Date occurring after the Initial Termination Date, zero per cent.

"Fixed Rate Payer Calculation Period" means each period from, but excluding, one Observation Date to, and including, the next following Observation Date, *provided that*, the first Fixed Rate Payer Calculation Period shall commence on, and include, the Effective Date and end on, and include, the Observation Date falling in March 2017, and the final Fixed Rate Payer Payment Period shall end on, and include, the Termination Date.

"Fixed Rate Day Count Fraction" means the actual number of days in the Fixed Rate Payer Calculation Period in respect of which payment is being made divided by 360.

"Grace Period" means:

- (a) subject to clauses (b) and (c), the applicable grace period with respect to payments under the relevant Reference Obligation under the terms of such Reference Obligation in effect as of the later of the Closing Date and the date as of which such Reference Obligation is issued or incurred;
- (b) if a Potential Failure to Pay has occurred on or prior to the Scheduled Termination Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Termination Date, the Grace Period shall be deemed to be the lesser of such grace period and thirty calendar days; and
- (c) if, at the later of the Closing Date and the date as of which a Reference Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Reference Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Reference Obligation.

"Grace Period Business Day" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the Reference Obligation currency.

"Initial Loss Amount" means, in respect of a Defaulted Reference Obligation, an amount determined by the Swap Calculation Agent on a date falling not more than 90 Business Days after the relevant Event Determination Date and which is equal to the product of:

- (a) the Initial Loss Percentage in respect of that Defaulted Reference Obligation; and
- (b) the Defaulted Notional Amount in respect of that Defaulted Reference Obligation as of the Date of Default.

"Initial Loss Percentage" means:

- (a) in respect of a Defaulted Reference Obligation in respect of which a Failure to Pay or Bankruptcy Credit Event occurred, a percentage equal to:
 - (i) the amount which the Swap Calculation Agent determines the Relevant Lender would estimate would constitute the Credit Provisions in respect of all Reference Obligations of the relevant Reference Entity; divided by
 - (ii) the Relevant Lender Exposure Amount in respect of all Reference Obligations of the relevant Reference Entity as at the applicable Date of Default converted, if applicable, into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the Date of Default; and
- (b) in respect of a Defaulted Reference Obligation in respect of which a Restructuring Credit Event occurred, the Credit Loss Event Percentage as at the date on which the Initial Loss Amount is determined. For the purposes of determining the Credit Loss Event Percentage under this definition, any amounts which are in a currency other than EUR shall be converted into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the Date of Default.

"Initial Protected Tranche Notional Amount" means EUR 186,550,000.

"Initial Reference Portfolio Notional Amount" means EUR 2,870,000,000.

"Initial Threshold Amount" means EUR 14,350,000.

"Initial Senior Tranche Notional Amount" means EUR 2,669,100,000.

"IRR" means, with respect to any Observation Date, the "XIRR" of the Credit Default Swap to the Issuer as calculated to two (2) decimal places by the Calculation Agent in Microsoft Excel™ (2010 version or later) in relation to such Observation Date based on the formulas and order of operations prescribed in Microsoft Excel™ and taking into account all amounts paid to and received from the Issuer hereunder on or prior to such Observation Date and the respective dates of payment (excluding any Cash Settlement Amounts and Cash Settlement Reimbursement Amounts but including, for the avoidance of doubt, all other payments made or to be made on such Observation Date) and assuming that:

- (a) on the Effective Date the Issuer paid to the Swap Counterparty an amount equal to the Initial Protected Tranche Notional Amount and
- (b) on such Observation Date the Swap Counterparty pays to the Issuer an amount equal to the Protected Tranche Notional Amount on such date.

"IRR Condition" means a condition that, on an Observation Date, the IRR to the Issuer would be greater than or equal to 3.00 per cent if the Termination Date were to occur on that Observation Date.

"Make-Up Fixed Amount" means, in respect of the Fixed Rate Payer Payment Date following the date on which the Final Loss Amount for any Verified Reference Obligation(s) or Reference Obligation in respect of which a Failure to Pay Credit Event has been Cured is determined, an amount (which may be positive or negative), equal to the aggregate of the Fixed Component Amounts which would have been determined in respect of each previous Fixed Rate Payer Payment Date(s) had the Final Loss Amount in respect of the relevant Verified Reference Obligation(s) and/or the recalculated Initial Loss Amount (as applicable) in respect of the relevant Defaulted Reference Obligation(s) had been known on the date on which the relevant Initial Loss Amount(s) were determined in respect of the relevant Credit Event(s) *minus* the aggregate of the actual Fixed Component Amounts determined in respect of each such previous Fixed Rate Payer Payment Date(s), together with the interest which would have accrued on a simple basis on each component of such amount since the date on which it would have been payable at the applicable EURIBOR Rate for each Fixed Rate Payer Calculation Period.

"Maximum Reference Portfolio Notional Amount" means, on any date, an amount equal to:

- (a) the Initial Reference Portfolio Notional Amount; *plus*
- (b) the product of (A) the aggregate of the Utilised Periodic Synthetic Excess Spread amounts determined on or prior to such date and (B) the aggregate Final Loss Amounts determined on or prior to such date and in respect of which the Verification Agent has delivered a Verification Report *divided by* the Cumulative Loss Amount on such date; *minus*
- (c) the aggregate of the Initial Loss Amounts determined in respect of all Reference Obligations which have become Verified Reference Obligations on or prior to such date; *minus*
- (d) the aggregate of all positive and negative Adjustment Amounts determined in respect of all Reference Obligations which have become Verified Reference Obligations on or prior to such date (which may, for the avoidance of doubt, be a positive or negative number).

"Periodic Synthetic Excess Spread Reset Date" means:

- (a) The Effective Date; and
- (b) 30 June and 31 December in each year, from and including 30 June 2017 to but excluding the Initial Termination Date.

"Portfolio Amortisation Amount" means:

- (a) in respect of the first Amortisation Date, an amount equal to:
 - (i) the Maximum Reference Portfolio Notional Amount on that Amortisation Date; *minus*
 - (ii) the Reference Portfolio Notional Amount on that Amortisation Date; and

- (b) in respect of each subsequent Amortisation Date, an amount equal to the sum of all Reductions and Removals occurring during the Observation Period ending on such Amortisation Date.

"Potential Defaulted Reference Obligation" means a Reference Obligation in respect of which a Potential Failure to Pay has occurred on or after the Effective Date and on or prior to the Notice Delivery Period End Date which has not become a Failure to Pay Credit Event nor is capable of becoming a Failure to Pay Credit Event prior to the Notice Delivery Period End Date.

"Potential Failure to Pay Extension Notice" means, with respect to a Potential Defaulted Reference Obligation, an irrevocable notice from Swap Counterparty to the Issuer that (a) states that as at the date of the notice, a Potential Failure to Pay has occurred with respect to any Reference Obligation on or after the Effective Date and on or prior to the Notice Delivery Period End Date and has not become a Failure to Pay Credit Event nor is capable of becoming a Failure to Pay Credit Event on or prior to the Notice Delivery Period End Date, (b) specifies the Potential Defaulted Reference Obligation, (c) contains a description in reasonable detail of the facts relevant to the determination that a Potential Failure to Pay event has occurred and (d) if appropriate, indicates the date of the occurrence of such Potential Failure to Pay event.

"Protected Tranche Amortisation Amount" means, in respect of each Amortisation Date, an amount equal to the lowest of:

- (a) the Portfolio Amortisation Amount in respect of that Amortisation Date;
- (b) the amount by which the sum of the Protected Tranche Notional Amount and the Remaining Threshold Amount on that Amortisation Date (each as adjusted to reflect any Cash Settlement Amount, Threshold Loss Amount, Cash Settlement Reimbursement Amount, Threshold Reinstatement Amount or Threshold Reimbursement Amount in respect of that Amortisation Date but prior to taking into account any Protected Tranche Amortisation Amount or Threshold Amortisation Amount in respect of that Amortisation Date) exceeds the Reference Portfolio Notional Amount on such Amortisation Date (as adjusted to reflect all Reductions and Removals occurring during the Observation Period ending immediately prior to such Amortisation Date);
- (c) the Protected Tranche Notional Amount on that Amortisation Date (as adjusted to reflect any Cash Settlement Amount or Cash Settlement Reimbursement Amount in respect of that Amortisation Date but prior to taking into account any Protected Tranche Amortisation Amount in respect of that Amortisation Date).

"Protected Tranche Final Exhaustion Date" means the Observation Date in respect of which the Protected Tranche Notional Amount is equal to zero and would not subsequently become greater than zero even if the Final Loss Percentage in respect of all Defaulted Reference Obligations which have not yet become Worked Out Reference Obligations was equal to zero per cent.

"Protected Tranche Loss Balance" means, in respect of each Observation Date, an amount equal to:

- (a) the sum of all Cash Settlement Amounts determined in respect of such Observation Date and all prior Observation Dates; *minus*
- (b) the sum of all Cash Settlement Reimbursement Amounts determined in respect of such Observation Date and all prior Observation Dates.

"Protected Tranche Notional Amount" means, in respect of any Observation Date, an amount equal to:

- (a) the Protected Tranche Notional Amount on the previous Observation Date (or, in respect of the first Observation Date, the Initial Protected Tranche Notional Amount); *minus*
- (b) the Cash Settlement Amount (if any) in respect of that Observation Date; *plus*
- (c) the Cash Settlement Reimbursement Amount (if any) in respect of that Observation Date; *minus*
- (d) as applicable,

- (I) in respect of any Observation Date prior to the Initial Termination Date, the Protected Tranche Amortisation Amount (if any) in respect of that Observation Date; and
- (II) in respect of the second Observation Date following the Initial Termination Date and each subsequent Observation Date, the Extension Period Redemption Amount (if any) in respect of that Observation Date,

provided that, in respect of the first Observation Date following the Initial Termination Date, the Protected Tranche Notional Amount shall be an amount equal to:

- (i) the Note Extension Amount on the Initial Termination Date; *minus*
- (ii) the Cash Settlement Amount (if any) in respect of that Observation Date; *plus*
- (iii) the Cash Settlement Reimbursement Amount (if any) in respect of that Observation Date; *minus*
- (iv) the Extension Period Redemption Amount (if any) in respect of that Observation Date.

"Recoveries" means, in respect of a Defaulted Reference Obligation, subject to and in accordance with the credit and accounting process of the Relevant Lender as in force from time to time, all amounts, whether in cash or otherwise, recovered and applied by the Relevant Lender in respect of principal (and any interest accrued but unpaid as at the relevant Date of Default) upon a work-out of such Defaulted Reference Obligation in or towards discharge of the Defaulted Reference Obligation in accordance with the Servicing Principles. Such Recoveries, shall:

- (i) subject to the following paragraphs (ii) to (x) of this definition, include any amounts so recovered and applied by the Relevant Lender following the date on which the relevant Credit Event occurred;
- (ii) exclude any payments received by the Relevant Lender in respect of interest which accrued after the relevant Date of Default, fees or any indemnities (other than indemnity in respect of a principal amount);
- (iii) include amounts recovered from any third party (including any guarantor of the Defaulted Reference Obligation) in respect of principal, but excluding any amount received pursuant to this credit default swap transaction;
- (iv) include the proceeds of enforcement of any security in respect of the Defaulted Reference Obligation or any amounts received by way of the operation of any set-off to the extent these are in respect of principal;
- (v) to the extent the Relevant Lender receives amounts which may be attributable to more than one obligation of the Reference Entity in respect of that Reference Obligation (including, in either case, obligations which rank senior to or *pari passu* with the Defaulted Reference Obligation), be allocated between the Defaulted Reference Obligation and such other obligations in accordance with the terms of the relevant legal agreements and any other applicable law, or, where the terms of the relevant legal agreements and applicable law are silent as to such allocation, on a *pari passu* basis;
- (vi) if denominated in any currency other than EUR, be converted into EUR at the prevailing spot rate for exchange determined by the Calculation Agent on the Work-Out Completion Date;
- (vii) if the Relevant Lender disposes of the Defaulted Reference Obligation in accordance with the Servicing Principles, include the net proceeds of such disposal to the extent they are attributable to principal or to any interest accrued but unpaid as at the relevant Date of Default;
- (viii) if the Relevant Lender receives securities (including any income thereon) or other consideration following the date on which the relevant Credit Event occurred, pursuant to any restructuring, settlement or proceeding affecting such Reference Obligation or otherwise with respect to such Reference Obligation, include the market or book value thereof, in each case as determined by the Relevant Lender on the Work Out Completion Date in accordance with applicable accounting standards;

- (ix) be reduced by any fees or expenses duly incurred and paid to third parties in respect of the recovery of the related Reference Obligation and not take into account any internal costs or fees of the Relevant Lender (or, if applicable, the servicer); and
- (x) exclude any amounts received by the Relevant Lender in any agency capacity which are to be paid to any other lender in respect of the Defaulted Reference Obligation.

"Reference Entity" means, in respect of any Reference Obligation specified in the Reference Register from time to time, any entity which is a borrower (or otherwise entitled to the benefit of any credit) or obligor, guarantor or other surety under or in respect of such Reference Obligation at the relevant time.

"Reference Obligation" means each obligation designated as such and identified (by means of a unique alpha-numeric identifier) in the Reference Register representing certain senior claims, including partial claims in respect of principal, interest and fees (if any) arising from loans (including syndicated loans), and revolving credit facilities to corporate entities (including financial institutions and certain other entities) and small to medium enterprises (including partnerships and sole traders) including any contingent claims in respect of obligations that are guaranteed by a guarantor, in each case as adjusted from time to time in accordance with the Reduction and Removal provisions and the Replenishment provisions. For the avoidance of doubt, with respect to any obligation that is a syndicated loan, the portion of such obligation which relates to the Relevant Lender's commitment and is identified (by means of a unique alpha-numeric identifier) in the Reference Register, as described in the preceding paragraph, shall be the relevant Reference Obligation.

"Reference Portfolio Notional Amount" means, on any date, the lesser of:

- (a) the Initial Reference Portfolio Notional Amount; and
- (b) the sum of the Reference Obligation Notional Amounts for all Reference Entities in the Reference Portfolio on such date.

"Relevant Lender" means, with respect to a Reference Obligation and as of any date of determination, the entity which is the lender of record in respect of such Reference Obligation as selected in the sole and absolute discretion of the Swap Counterparty from among, without limitation:

- (a) the Swap Counterparty or any other member of the BOI Group; or
- (b) any entity from which the Swap Counterparty can obtain the relevant information required for the purposes of determining the Initial Loss Amount and Final Loss Amount in respect of a Credit Event in respect of such Reference Obligation.

"Relevant Lender Exposure Amount" means:

- (a) in respect of a Defaulted Reference Obligation and any date of determination, the total principal outstanding amount (including capitalised interest) of such Defaulted Reference Obligation to which the Relevant Lender is exposed on the applicable Date of Default, together with any interest in respect of such Defaulted Reference Obligation which had accrued but was unpaid on the applicable Date of Default and any additional amounts which are drawn in respect of that Defaulted Reference Obligation after the applicable Date of Default and on or prior to that date of determination pursuant to a commitment which the Relevant Lender was not entitled to cancel as a consequence of the occurrence of the Credit Event; and
- (b) in respect of a Reference Obligation which is not a Defaulted Reference Obligation, on any date of determination, the total principal outstanding amount (including capitalised interest) of such Reference Obligation to which the Relevant Lender is exposed on the applicable date of determination, together with any interest in respect of such Reference Obligation which had accrued but was unpaid on the applicable date of determination.

"Remaining Threshold Amount" means, on any Observation Date, an amount equal to:

- (a) the Initial Threshold Amount; *minus*

- (b) the sum of all Threshold Amortisation Amounts determined on or prior to such Observation Date; *minus*
- (c) the sum of all Threshold Loss Amounts determined on or prior to such Observation Date; plus
- (d) the sum of all Threshold Reimbursement Amounts determined on or prior to such Observation Date; *plus*
- (e) the sum of all Threshold Reinstatement Amounts determined on or prior to such Observation Date.

"Repayment" means, in respect of a Reference Obligation any principal repayment (including mandatory repayments and prepayments) received by the Relevant Lender in respect of such Reference Obligation, *provided that*, if the Conditions to Settlement are satisfied in respect of a Reference Obligation, any amounts received following the date on which the relevant Credit Event, other than a Cured Credit Event, occurred shall constitute Recoveries, rather than a Repayment.

"Replenishment Date" means any date on which the Swap Counterparty effects a Replenishment.

"Replenishment Period End Date" means the earliest to occur of:

- (a) the third anniversary of the Effective Date; and
- (b) the Initial Termination Date.

"Restructured Principal Amount" means an amount equal to the product of:

- (a) the Reference Obligation Notional Amount of the Reference Obligation immediately prior to the occurrence of a Restructuring Credit Event; and
- (b) one *minus* the Credit Loss Event Percentage.

"Second Year Loss Balance" means, on any date of determination, an amount equal to the sum of the Initial Loss Amounts and, following delivery of a Verification Report in respect of the relevant Defaulted Reference Obligation, the Adjustment Amounts in respect of all Defaulted Reference Obligations in respect of which the Date of Default occurred during the period from (and including) the Effective Date to (and including) the second anniversary of the Effective Date.

"Senior Tranche Amortisation Amount" means, in respect of each Amortisation Date, an amount equal to the lowest of:

- (a) the Portfolio Amortisation Amount in respect of that Amortisation Date;
- (b) the amount by which the sum of the Senior Tranche Notional Amount, the Protected Tranche Notional Amount and the Remaining Threshold Amount on that Amortisation Date (each as adjusted to reflect any Senior Tranche Loss Amount, Cash Settlement Amount, Threshold Loss Amount, Senior Tranche Reimbursement Amount, Cash Settlement Reimbursement Amount, Threshold Reinstatement Amount or Threshold Reimbursement Amount in respect of that Amortisation Date but prior to taking into account any Senior Tranche Amortisation Amount, Protected Tranche Amortisation Amount or Threshold Amortisation Amount in respect of that Amortisation Date) exceeds the Reference Portfolio Notional Amount on such Amortisation Date (as adjusted to reflect all Reductions and Removals occurring during the Observation Period ending immediately prior to such Amortisation Date); or
- (c) the Senior Tranche Notional Amount on that Amortisation Date.

"Senior Tranche Loss Amount" means, in respect of any Observation Date, an amount equal to:

- (a) if the Periodic Loss Amount is less than or equal to zero, the Senior Tranche Loss Amount will be zero;
- (b) otherwise, the Senior Tranche Loss Amount will be an amount equal to the lesser of (subject to a minimum of zero):

- (i) the Periodic Loss Amount minus (I) the Periodic Synthetic Excess Spread Amount in respect of such Observation Date and (II) the Remaining Threshold Amount as of the immediately preceding Observation Date (after adjustment) and (III) the Protected Tranche Notional Amount as of the immediately preceding Observation Date (after adjustment); and
- (ii) the Senior Tranche Notional Amount in respect of the immediately preceding Observation Date (after adjustment).

"Senior Tranche Loss Balance" means, in respect of each Observation Date, an amount equal to:

- (a) the sum of all Senior Tranche Loss Amounts determined in respect of such Observation Date and all prior Observation Dates; *minus*
- (b) the sum of all Senior Tranche Reimbursement Amounts determined in respect of such Observation Date and all prior Observation Dates.

"Senior Tranche Notional Amount" means, in respect of any Observation Date, an amount equal to:

- (a) the Senior Tranche Notional Amount on the previous Observation Date (or, in respect of the first Observation Date, the Initial Senior Tranche Notional Amount); *minus*
- (b) the Senior Tranche Loss Amount (if any) in respect of that Observation Date; *plus*
- (c) the Senior Tranche Reimbursement Amount (if any) in respect of that Observation Date; *minus*
- (d) the Senior Tranche Amortisation Amount (if any) in respect of that Observation Date.

"Senior Tranche Reimbursement Amount" means, in respect of any Observation Date, an amount equal to:

- (a) if the Periodic Loss Amount is greater than zero, the Senior Tranche Reimbursement Amount will be zero;
- (b) otherwise, the absolute value of such Periodic Loss Amount,

provided that all Senior Tranche Reimbursement Amounts determined on or prior to such Observation Dates shall not exceed the sum of all Senior Tranche Loss Amounts in respect of such Observation Date or all previous Observation Dates.

"Swap Tax Event" means the occurrence of any of the following events:

- (a) the Swap Counterparty will be required to pay to the Issuer any additional amounts to the Issuer as a result of a deduction or withholding for or on account of any Tax;
- (b) the Swap Counterparty will be obliged to receive any payments from the Issuer under the Credit Default Swap subject to the deduction of any amount required to be deducted or withheld for or on account of any Tax;
- (c) the Issuer determines that it has, or there is a substantial likelihood that it will, within 90 calendar days of the date of determination (such determination being made by the Issuer relying on an opinion of independent legal advisers, as described below), become subject to any circumstance or to a tax charge (whether by direct assessment or by withholding at source), regulatory imposition or other imposition by Ireland or any other jurisdiction which would materially increase the costs to it of complying with its obligations under the Note Trust Deed or, under the Notes or materially increase the operating or administrative expenses of the Issuer or the trust under which the shares in the Issuer are held or reduce the amount of any sums received or receivable by the Issuer or otherwise oblige the Issuer to make any payment on, or calculated by reference to, the amount of any sum received or receivable by the Note Trustee and/or the Security Trustee on behalf of the Issuer as contemplated in the Note Trust Deed or the Security Trust Deed, as the case may be;

- (d) payments of interest due to the Issuer on any of the Accounts or on any Income due in respect of any other Collateral Investment are, or there is a substantial likelihood that they will within 90 calendar days of the date of determination (such determination being made by the Issuer relying on an opinion of independent legal advisers, as described below) become, subject to deduction or withholding for or on account of any Tax;
- (e) any of the events described in paragraph (c) above occurs but the Swap Counterparty fails, after any applicable grace period with respect to the Note, to pay any Additional Amounts which it has elected to pay to the Issuer; or
- (f) the Issuer is otherwise subject to or becomes liable to pay Tax.

"Synthetic Excess Spread Day Count Fraction" means the actual number of days in the first two Observation Periods divided by 360.

"TARGET Day" means any day on which TARGET2 is open for the settlement of payments in Euro.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"Termination Date" means the Initial Termination Date, *provided that*, if on the Initial Termination Date there are one or more Defaulted Reference Obligations which have not yet become Worked Out Reference Obligations, the Termination Date shall occur on the earliest to occur of:

- (a) the Protected Tranche Final Exhaustion Date;
- (b) the Final Termination Date; and
- (c) the Observation Date which occurs on or follows the first date on which all such Defaulted Reference Obligations have become Verified Reference Obligations.

"Third Year Loss Balance" means, on any date of determination, an amount equal to the sum of the Initial Loss Amounts and, following delivery of a Verification Report in respect of the relevant Defaulted Reference Obligation, the Adjustment Amounts in respect of all Defaulted Reference Obligations in respect of which the Date of Default occurred during the period from (and including) the Effective Date to (and including) the third anniversary of the Effective Date.

"Threshold Amortisation Amount" means, in respect of each Amortisation Date, an amount equal to the lower of:

- (a) the Portfolio Amortisation Amount in respect of that Amortisation Date; and
- (b) the amount by which the Remaining Threshold Amount on that Amortisation Date (as adjusted to reflect any Threshold Loss Amount, Threshold Reinstatement Amount or Threshold Reimbursement Amount in respect of that Amortisation Date but prior to taking into account any Threshold Amortisation Amount in respect of that Amortisation Date) exceeds the Reference Portfolio Notional Amount on such Amortisation Date (as adjusted to reflect all Reductions and Removals occurring during the Observation Period ending immediately prior to such Amortisation Date).

"Threshold Loss Amount" means:

- (a) if, in respect of any Observation Date, the Periodic Loss Amount is less than or equal to zero, an amount equal to zero;
- (b) otherwise, in respect of any Observation Date, the lesser of (subject to a minimum of zero):
 - (i) the Periodic Loss Amount in respect of such Observation Date *minus* the Periodic Synthetic Excess Spread Amount in respect of such Observation Date; and
 - (ii) the Remaining Threshold Amount in respect of the immediately preceding Observation Date (after adjustment).

"Threshold Loss Balance" means, in respect of each Observation Date, an amount equal to:

- (a) the sum of all Threshold Loss Amounts determined in respect of such Observation Date and all previous Observation Dates; *minus*
- (b) the sum of all Threshold Reimbursement Amounts determined in respect of such Observation Date and all previous Observation Dates.

"Threshold Reimbursement Amount" means:

- (a) if, in respect of any Observation Date, the Periodic Loss Amount is greater than or equal to zero, an amount equal to zero; and
- (b) in respect of any other Observation Date an amount equal to the lesser of:
 - (i) an amount equal to the absolute value of such Periodic Loss Amount minus (I) the Senior Tranche Reimbursement Amount in respect of such Observation Date minus (II) the Cash Settlement Reimbursement Amount in respect of such Observation Date; and
 - (ii) the Threshold Loss Balance in respect of the previous Observation Date.

"Threshold Reinstatement Amount" means:

- (a) in respect of any Observation Date that is a Periodic Synthetic Spread Reset Date, an amount equal to the lesser of:
 - (i) the amount by which the Periodic Synthetic Excess Spread Amount calculated in respect of the Observation Period immediately following the immediately preceding Periodic Synthetic Spread Reset Date exceeds the greater of:
 - (A) the sum of the Periodic Loss Amounts in respect of that Observation Date and the immediately preceding Observation Date; and
 - (B) zero; and
 - (ii) an amount equal to the Threshold Loss Balance; and
- (b) in respect of any other Observation Date, zero.

"Utilised Periodic Synthetic Excess Spread" means, in respect of any Observation Date, the lesser of (subject to a minimum of zero):

- (a) the Periodic Loss Amount in respect of the related Observation Period; and
- (b) the Periodic Synthetic Excess Spread Amount in respect of the related Observation Period.

"Verified Reference Obligation" means a Defaulted Reference Obligation in respect of which a Verification Report has been delivered to the Swap Counterparty and the Issuer.

REFERENCE REGISTER

The Reference Register will contain the following items, each expressed (except as set forth below) for each Reference Obligation as of each Allocation Date for such Reference Obligation. Each Reference Entity and each Reference Obligation will be identified in the files and/or systems maintained by the Swap Counterparty on the basis of the information contained in the Reference Register. The Reference Register will not disclose the names of the Reference Entities and will not contain any information that the Swap Counterparty or Relevant Lender is legally constrained from disclosing under applicable laws or confidentiality obligations but will identify the Reference Entities and the Reference Obligations by means of a unique alpha-numeric identifier. The Swap Counterparty shall procure that the Verification Agent will perform the procedures set out in the Verification Agency Agreement in respect of the Reference Portfolio.

Reference Obligation Information

In respect of each Reference Obligation:

- (a) the reference number for the Reference Entity Group;
- (b) the reference number for that Reference Obligation;
- (c) the Allocation Date for that Reference Obligation;
- (d) the Relevant Lender Exposure Amount for that Reference Obligation;
- (e) the Reference Obligation Notional Amount of that Reference Obligation;
- (f) whether there are any drawings in respect of that Reference Obligation in a currency other than EUR;
- (g) the rating model used to rate the Reference Entity;
- (h) if the Reference Obligation is held in the Swap Counterparty's Corporate Banking business unit, the maturity date of the Reference Obligation; and if the Reference Obligation is held in the Swap Counterparty's Business Banking business unit, provided that it is readily available and capable of being extracted automatically from the Swap Counterparty's systems, the maturity date of the Reference Obligation;
- (i) the PD Rating in respect of each Reference Obligation;
- (j) whether any Credit Event in respect of such Reference Obligation has been Cured;
- (k) the loss given default attributed to that Reference Obligation by the Relevant Lender; and
- (l) the industry classification attributed to that Reference Obligation by the Swap Counterparty;
- (m) the geographical region in which the Reference Entity is based, if readily available and capable of being extracted automatically from the Swap Counterparty's systems;
- (n) whether or not the Reference Obligation is a revolving credit facility, if readily available and capable of being extracted automatically from the Swap Counterparty's systems; and
- (o) the Swap Counterparty business unit classification attributed to that Reference Obligation by the Swap Counterparty.

The Replenishment Reports (which shall each contain the Reference Register as of the last day of the preceding calendar month) will be available for inspection by Noteholders at the registered office of the Issuer.

Form of Reference Register

Reference Entity (Alpha-numeric identifier)	Reference Obligation (Alpha-numeric identifier)	Allocation Date	Relevant Lender Exposure Amount	Reference Obligation Notional Amount	Drawings in a currency other than EUR included	Rating Model	Maturity Date of Reference Obligation	PD Rating	Cured Credit Event	Loss given default	R.O. industry classification	R.O. geographical region	Is RO a revolving credit facility	Swap Counterparty business unit classification

ELIGIBILITY CRITERIA

Each Reference Obligation and, where applicable, its corresponding Reference Entity, must meet the following individual criteria (the "**Reference Obligation Eligibility Criteria**") in connection with the relevant Allocation Date, in each case as determined in accordance with the files and/or systems of the Swap Counterparty, which determination in the absence of manifest error shall be conclusive and binding on the Issuer:

1. The Reference Obligation is a senior, unsubordinated obligation for the payment or repayment of borrowed money which is documented pursuant to a term loan facility agreement, revolving loan facility agreement, loan note or other similar credit agreement.
2. The Reference Entity has its principal operations in the Republic of Ireland.
3. If the industry classification attributed to that Reference Obligation by the Swap Counterparty, as listed in the Reference Register, is a Restricted Industry Classification, such Reference Obligation does not have a PD Rating of 9 or worse.
4. The industry classification attributed to that Reference Obligation by the Swap Counterparty as listed in the Reference Register is not an Excluded Industry Classification.
5. The Reference Obligation, if an exposure identified in the files and/or systems of the Swap Counterparty's Business Banking unit, was at the relevant Allocation Date recorded as an exposure under its General Industries or Project Finance models.
6. The Reference Obligation, if an exposure identified in the files and/or systems of the Swap Counterparty's Corporate Banking unit, was at the relevant Allocation Date recorded as an exposure under its General Template or Project Finance models.
7. The Reference Obligation was originated in accordance with the origination and credit approval policies of the Relevant Lender in force at the time of origination or an exception to such policies, approved in accordance with the terms of such policies; and such policies mandate origination in accordance with applicable legal requirements.
8. No Failure to Pay or Potential Failure to Pay has occurred and is continuing in respect of the Reference Obligation for a period of more than 90 days prior to the Allocation Date.
9. The Relevant Lender Exposure Amount in respect of the Reference Obligation is not less than EUR 100,000.

For the purpose of determining whether a Reference Obligation complied with the Reference Obligation Eligibility Criteria, a Reference Obligation will be deemed to have satisfied the Eligibility Criteria if:

- (a) where such Reference Obligation formed part of the Reference Portfolio as of the Effective Date, unless paragraph (b) applies, it satisfied each Eligibility Criterion on the Portfolio Cut-Off Date; and
- (b) where such Reference Obligation was the subject of a Replenishment (as defined in the Credit Default Swap), it satisfied each Eligibility Criterion as of the Allocation Date in respect of such Reference Obligation.

Reference Portfolio Eligibility Criteria:

On the Portfolio Cut-Off Date and on each Allocation Date, the Reference Portfolio will be required to meet the following criteria (or if the Reference Portfolio did not comply with the Reference Portfolio Eligibility Criteria prior to the relevant Allocation Date (but following any Removals or Reductions on such Date), the relevant Replenishment must not worsen the extent of such non-compliance in respect of each Reference Portfolio Eligibility Criterion) (the "**Reference Portfolio Eligibility Criteria**" and together with the Reference Obligation Eligibility Criteria, the "**Eligibility Criteria**"):

1. The Reference Portfolio Notional Amount does not exceed the Maximum Reference Portfolio Notional Amount (each, as defined in the Credit Default Swap).

2. The weighted average PD% (excluding, for the purposes of this calculation, any Defaulted Reference Obligation) is not worse than 1.30%.
3. The aggregate of the Reference Obligation Notional Amounts of all Reference Obligations in respect of which the Reference Entities belong to a single Reference Entity Group (as defined in the Credit Default Swap), expressed as a percentage of the Maximum Reference Portfolio Notional Amount, does not exceed the percentage specified in the following table. For this purpose, where different Reference Entities in a single Reference Entity Group having different PD Ratings, the relevant percentage shall be that which applies to the Reference Entity in that Reference Entity Group which has the worst PD Rating.

PD Rating	PD %	
	Corporate Banking	Business Banking
1	1.15%	0.40%
2	1.15%	0.40%
3	1.15%	0.40%
4	1.00%	0.40%
5	1.00%	0.35%
6	0.50%	0.35%
7	0.50%	0.35%
8	0.50%	0.15%
9	0.00%	0.15%
10	0.00%	0.10%
11	0.00%	0.00%
12	0.00%	0.00%
13	0.00%	0.00%

4. The aggregate of the Reference Obligation Notional Amounts of all Reference Obligations in respect of which the Reference Entity/ies has a PD Rating within any of the following rating bands, expressed as a percentage of the Maximum Reference Portfolio Notional Amount, does not exceed the relevant percentage specified:

Reference Entities having a PD Rating of 8 or worse: 35%

Reference Entities having a PD Rating of 9 or worse: 10%

Reference Entities having a PD Rating of 10 or worse: 2.50%

5. The aggregate of the Reference Obligation Notional Amounts of all Reference Obligations in the Swap Counterparty's Corporate Banking unit is not less than 40% of the Maximum Reference Portfolio Notional Amount.
6. The aggregate of the Reference Obligation Notional Amounts of all Reference Obligations recorded as an exposure under the Project Finance models is not greater than 15% of the Maximum Reference Portfolio Notional Amount.
7. The aggregate of the Reference Obligation Notional Amounts of all Reference Obligations recorded as an exposure under any individual industry classification shall not exceed 10% of the Maximum Reference Portfolio Notional Amount, other than in respect of the "Retailers" and "Hotels" industry classifications, in respect of which the aggregate of the Reference Obligation Notional Amounts of all Reference Obligations recorded as an exposure under such individual industry classification shall not exceed 12.5% of the Maximum Reference Portfolio Notional Amount.

"Effective Date" means the Closing Date.

"**Excluded Industry Classification**" means any of the following industry classifications:

Excluded Industry Classification
Property Investment
Speculative Construction
Speculative Property
Construction Activity
Other Construction Activity

"**General Industries**" means the regulatory approved model used to rate Reference Obligations serviced in the medium book of the Swap Counterparty's Business Banking business unit. At the Portfolio Cut-Off Date the medium book comprises mainly lending to customers where the total exposures to that customer exceeds or is likely to exceed €500,000 at the date of origination.

"**General Template**" means the regulatory approved model used to rate Reference Obligations serviced in the Swap Counterparty's Corporate Banking business unit.

"**PD %**" means the through-the-cycle percentage probability of default attributed by the General Industries, General Template or Project Finance models.

"**PD Rating**" means the PD rating attributed by the General Industries, General Template or Project Finance models where such rating maps to a percentage probability of default set out in the following table:

PD Bucket	PD Range	Midpoint	Alpha Rating (S&P)
1	PD < 0.03%	0.03%	AAA, AA+, AA, AA-
2	0.03 % ≤ PD < 0.06%	0.04%	
3	0.06% ≤ PD < 0.13%	0.08%	A+, A, A-
4	0.13% ≤ PD < 0.26%	0.17%	BBB+
5	0.26% ≤ PD < 0.48%	0.35%	BBB, BBB-
6	0.48% ≤ PD < 0.9%	0.60%	BB+
7	0.9% ≤ PD < 1.45%	1.20%	BB
8	1.45% ≤ PD < 2.2%	1.70%	BB-
9	2.2% ≤ PD < 3.6%	2.70%	B+
10	3.6% ≤ PD < 7.25%	4.50%	
11	7.25% ≤ PD < 100%	10%	B, B-, CCC, CC, C
12	Default	100%	D

"**Project Finance**" means the regulatory approved model used to rate Reference Obligations in respect of projects of an infrastructural or industrial nature serviced in the Swap Counterparty's Business Banking or Corporate Banking business units.

"**Reference Entity Group**" means each group of Reference Entities which constitute Affiliates of each other.

"**Restricted Industry Classification**" means any of the following industry classifications:

Restricted Industry Classification
All fishing activities
Dairy Farming
Farming of Cattle
Farming of Other Animals
Food non-agricultural activities
Forestry & Logging
Hotels
Other Agricultural Activities
Processing of beef
Processing of dairy
Processing of other meat
Products agricultural
Textiles/Clothing
Wood/Pulp Paper Products Publishing/Printing
Wood/Paper

CONDITIONS TO REPLENISHMENT

The "**Conditions to Replenishment**" are:

- (i) as at the relevant Allocation Date the Reference Obligation which is the subject of the Replenishment satisfies the Reference Obligation Eligibility Criteria in the manner set out in "*Eligibility Criteria*" above;
- (ii) following the Replenishment, the Reference Portfolio satisfies the Reference Portfolio Eligibility Criteria or if the Reference Portfolio did not comply with the Reference Portfolio Eligibility Criteria immediately prior to the relevant Replenishment Date (but following any Removals or Reductions on the relevant Replenishment Date), such Replenishment does not worsen the extent of such non-compliance in respect of each Reference Portfolio Eligibility Criterion;
- (iii) the First Year Loss Balance determined as at the Replenishment Date is less than or equal to 1.5 per cent. of the Initial Reference Portfolio Notional Amount;
- (iv) in respect of a Replenishment Date falling after the first anniversary of the Effective Date, the Second Year Loss Balance determined as at the Replenishment Date is less than or equal to 2.0 per cent. of the Initial Reference Portfolio Notional Amount; and
- (v) in respect of a Replenishment Date falling after the second anniversary of the Effective Date, the Third Year Loss Balance determined as at the Replenishment Date is less than or equal to 2.5 per cent. of the Initial Reference Portfolio Notional Amount.

In the event that it is determined that the Conditions to Replenishment are not fulfilled as at the Replenishment Date in respect of the relevant Reference Obligation, the Conditions to Settlement in respect of such Defaulted Reference Obligation are not capable of being fulfilled and the Swap Counterparty will not be entitled to make a claim under the credit default swap transaction in respect thereof.

For the avoidance of doubt, if the Replenishment is achieved through an increase in the Reference Obligation Notional Amount of a Reference Obligation already forming part of the Reference Portfolio and it is determined that the Conditions to Replenishment were not fulfilled as at the Allocation Date in respect of such increase, the Conditions to Settlement are not capable of being fulfilled in relation to the amount of such increase but the Swap Counterparty shall still be entitled to make a claim under the credit default swap transaction in respect of the Reference Obligation Notional Amount forming part of the Reference Portfolio prior to any such increase, and in these circumstances the Allocation Date for that Reference Obligation shall be the Allocation Date for that Reference Obligation prior to the failed Replenishment.

DESCRIPTION OF THE INITIAL REFERENCE PORTFOLIO

Certain characteristics of the Reference Portfolio are set forth below and refer to the composition of the Reference Portfolio as at the Portfolio Cut-Off Date. The Reference Portfolio described in this Prospectus complied with the Eligibility Criteria as at the Portfolio Cut-Off Date.

Initial Reference Portfolio as at 30 November 2016

30 November 2016	Business Banking	Corporate Banking	Total
Number of Reference Obligations.....	2,255	183	2,438
Number of Reference Entity Groups.....	1,328	113	1,441
Total Commitments (€m).....	1,502	1,368	2,870
Average Exposure (€m).....	1.1	12.1	2.0
Exposure-Weighted PD (rating).....	8	5	7
Exposure-Weighted LGD (%).....	39.4%	44.1%	41.6%

Breakdown of Reference Obligations by Industry at 30 November 2016

	(% of drawn exposure)
Retailers.....	8.9%
Hotels.....	8.1%
Hospitals.....	5.5%
Transport.....	4.9%
Sale Maintenance/Repair of Motor Vehicles Retail.....	4.6%
Other Agricultural Activities.....	4.5%
Other Health.....	4.4%
Education.....	4.2%
Processing of Dairy Products.....	3.3%
Other Manufacturing.....	3.3%

Reference Obligations in the Reference Portfolio may have a term which can be shorter than, coterminous with, or longer than, the Final Maturity Date.

BOI'S CREDIT AND COLLECTION PROCESS

BOI CORPORATE BANKING IRELAND

LOAN ORIGINATION

The origination process in BOI Corporate Banking Ireland ("**CBI**") is uniform. Teams originate transactions through direct channels, including existing clients, relationship contacts, internal BOI Group referrals, intermediaries, direct marketing and arranging banks in accordance with the boundary conditions of the BOI Group risk identity and risk appetite and operating within the relevant category, portfolio or sub-portfolio limits. In certain cases, origination of a loan participation can be executed on the secondary market subject to comprehensive due diligence and the same credit process which is outlined below.

CBI's business model is credit focussed with relationship managers ("**CBRMs**") responsible for asset origination and risk assessment. CBRMs conduct the initial loan appraisal, site visit (where appropriate), detailed credit risk assessment and financial analysis and prepare a credit application and supporting documentation. All credit applications, including credit reviews, irrespective of credit grade or amount are submitted to the Corporate Banking Credit Unit ("**CBCU**").

Once an application has been approved, the CBRM is also responsible for the documentation, funding and closing of the transaction. Accountability and responsibility for the ongoing performance of the transaction remains with the CBRM, although day to day management and monitoring of the loan facility may transfer to a specialist portfolio management team and administration of the loan facility transfers to the Corporate Banking Loans Administration team ("**CB Loans Administration**").

Origination and Credit Approval Process

The steps in the credit application process are outlined below, with each step requiring independent assessment and challenge:

A detailed credit application is prepared by the CBRM and reviewed by the Line Manager in the CBI business team and ultimately by the Head of the CBI Business Unit, prior to submission to the CBCU. The CBCU is an independent credit unit through which all Corporate Banking credit exposures are processed. The credit application must address, amongst other things, the following:

- Summary of and background to the transaction structure;
- Information on the borrower and its business, including product or service offered, market position and drivers and industry sector;
- Comparison of the transaction against BOI Group credit policy requirements;
- Financial analysis including review of most recent audited accounts;
- Cash flow and repayment capacity;
- Evidence of compliance with existing covenant package or details of the proposed covenant package;
- Commentary on the main components of the borrower balance sheet and any material movements;
- Sensitivity analysis using appropriate downside assumption adjustments;
- Credit and risk analysis addressing the key business risks and mitigants;
- Details of any security proposed or currently held with reference to relevant regulatory and capital requirements;
- Commentary on the overall account operation, including profile of drawings against the approved permissions (where appropriate);

- The probability of default ("**PD**") and assigned credit grade for each transaction, which are calculated using a suite of risk rating models. The PD and credit grade for each transaction are key elements in the assessment of credit risk, risk adjusted pricing and capital allocation; and
- Rationale for recommendation of approval of the transaction.

Approval and Offer

When a credit application has been approved, the borrower (in the case of bilateral facilities and where CBI is acting as underwriter or arranging bank on a syndicated transaction), or the arranging bank group (in the case of a participation) is formally advised by the CBRM. An offer is made subject to the terms of the credit approval, agreement of documentation on terms satisfactory to CBI and fulfilment of any conditions precedent.

In circumstances where CBI is a bilateral lender, facility documentation is negotiated on CBI's standard terms prepared in line with BOI Group Legal Policy, with support from the CB Legal team, or where security is required, by external counsel appointed to BOI Group's legal panel.

For syndicated facilities, negotiation of legal documentation is undertaken by the CBRM in conjunction with the syndicate (and by the CBI Agency team where BOI is arranger or facility agent), advised by the syndicate counsel.

Release of Funds

A Facility Details Sheet ("**FDS**") outlining the terms of the facility is prepared by the CBRM and submitted to CB Loans Administration which is responsible for recording and administering all relevant lending transactions on BOI's loan systems. The FDS must at a minimum confirm that all conditions precedent have been satisfied, anti-money laundering checks completed and all security registered. CB Loans Administration is responsible for the physical movement of funds in respect of the initial drawdown (subject to CBRM approval) and all subsequent payments.

LOAN MONITORING AND MANAGEMENT

CBI's ongoing credit assessment process focuses on key credit risks, policy exceptions, performance against plans/budget, and review of the transaction PD and credit grade, and rationalisation of any movement in these metrics. Responsibility for quality of credit analysis rests with CBRM and CBRM team leaders.

Credit Policy sets out reporting requirements for all assets based upon credit grading. All relationships are subject to a minimum periodic formal assessment, with review cycles tailored by a risk-based approach based on the assigned credit grade. Credit risk rating models used within CBI produce a 13 point PD rating and a 13 point credit grade which is used for credit assessment and management purposes. Exposures with a credit grade 1 – 8 are reviewed at least every 12 months. Credit grade 9 to 12 exposures are considered as higher risk accounts, which require more active management and are formally reviewed semi-annually or more frequently if considered appropriate on risk management grounds by CBCU.

CBRMs are responsible for ensuring that appropriate client interaction is maintained between review periods, monitoring covenant compliance, and for conducting interim credit reviews where appropriate, including immediately on becoming aware of any adverse change in a borrower's circumstances which may adversely impact the PD or credit grade.

Requests for amendments to loan terms and conditions are assessed by the CBRM. All material amendments, including covenant waivers, require the submission of a full credit application to CBCU for approval.

Recoveries Management

The process by which an asset is classified as 'higher risk' (credit grade 9 to 12) is governed by BOI's internal credit rating process.

Where an asset has been classified as higher risk, it is BOI policy to assign management and control of the exposure and relationship to a specialised challenged assets team, part of the Challenged Assets Group ("CAG")

CAG comprises dedicated challenged structures resourced with experienced lenders supported by experienced credit unit underwriters, providing an overarching Group platform for the management of higher risk assets and facilitates the development of Group-wide strategies.

These specialist teams have responsibility for managing and reducing or eliminating CBI's exposure and/or restructuring credit facilities on a basis that supports the Group's objective of minimizing loan losses and maximizing recoveries. A full spectrum of resolution strategies are deployed (ranging from temporary forbearance measures to insolvency options) in delivering this objective.

Group Impairment Policy outlines in detail the requirements in relation to the assessment for impairment. Each unit assesses credit exposures for objective evidence of impairment based on current information and events at the date of assessment. Identification of loss events and objective evidence of impairment occurs either through 'impairment assessment triggers' or 'impairment indicators', giving rise to the need to test for impairment by way of completion of discounted cash flow analysis or individual lender assessment.

BOI BUSINESS BANKING

LOAN ORIGINATION

The origination process across BOI's Business Banking division ("BB") is uniform. Teams originate transactions solely through direct channels, including existing clients, relationship contacts and internal BOI Group referrals. BB targets only business opportunities within the boundary conditions of the BOI Group risk identity and risk appetite operating within the relevant category, portfolio and sub-portfolio limits. No BB relationship manager ("BBRM") or other lending discretion authority holder has authority to breach these limits.

Origination and Credit Approval Process

BBRMs undertake rigorous assessments of credit proposals in accordance with the key credit assessment criteria set out in the BOI Group Credit Framework, the established credit processes for the relevant segment of the BB book, any applicable sector or product credit policies and with input where appropriate from BB's sector specialists. Assessments include a review of the following data:

- Summary of and background to the transaction structure;
- Information on the borrower and its business, including product or service offered, market position and drivers and industry sector;
- Comparison of the transaction against BOI Group credit policy requirements;
- Financial analysis including review of most recent audited accounts;
- Cash flow and repayment capacity;
- Evidence of compliance with existing covenant package or details of the proposed covenant package;
- Commentary on the main components of the borrower balance sheet and any material movements;
- Sensitivity analysis using appropriate downside assumption adjustments;
- Credit and risk analysis addressing the key business risks and mitigants;
- Details of any security proposed or currently held;

- Commentary on the overall account operation, including profile of drawings against the approved permissions (where appropriate);
- The PD and assigned credit grade for each transaction, which are calculated using a suite of risk rating models. The PD and credit grade for each transaction are key elements in the assessment of credit risk, risk adjusted pricing and capital allocation; and
- Rationale for recommendation of approval of the transaction.

The BBRM uses the information provided by the assessment to generate a credit grade and PD and prepare a credit application. The completed credit application is submitted by the BBRM to the relevant credit unit via BB's Credit Framework system which is forwarded to a BB underwriter for review. The BB underwriter may engage with the BBRM to obtain additional information on the credit application before issuing a decision memorandum ("**DM**"). The customer is kept apprised by the BBRM of the status of the credit application throughout the process in accordance with BOI's obligations under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Lending to Small and Medium-sized Enterprises) Regulations 2015.

Approval, Offer and Release of Funds

Once a DM approving a credit application has been issued, the BBRM informs the customer of the decision and then instructs a BB case manager ("**BB Case Manager**") to arrange production of an offer letter. The BB Case Manager works as part of the BB Client Services department, responsible for all servicing and fulfilment for BB customers. This offer letter will reflect the terms of the facility and details conditions precedent to drawdown as per the DM. The finalised offer letter is issued to the BBRM for delivery to the customer.

In line with BB policy, a panel solicitor will be appointed to work on behalf of the Bank alongside the customers solicitor, in order to satisfy the legal conditions and security requirements. The offer letter also outlines the conditions precedent to drawdown which must be satisfied prior to funds being released. These will be satisfied by the provision of this information by the customer to the Bank and to the satisfaction of the BBRM

Upon satisfaction of the legal and non-legal conditions of the offer letter confirmed by the Bank's solicitor and the BBRM/Case Manager respectively, the transfer of funds in respect of the initial drawdown is arranged by the BB Client Services team.

LOAN MONITORING AND MANAGEMENT

BB's ongoing credit assessment process focuses on key credit risks, policy exceptions, performance against plans/budget, and review of the transaction PD and credit grade, and rationalisation of any movement in these metrics. Responsibility for quality of credit analysis rests with the BBRM and the Regional and Credit Quality Managers.

Credit Policy sets out reporting requirements for all assets based upon PD and credit grading. Credit risk rating models used by BB in respect of the medium segment of its book, which includes Reference Obligations, produce a 13 point PD rating which is then mapped to a 7-point credit grade depending on security held. All relationships are subject to a minimum periodic formal assessment, with review cycles tailored by a risk-based approach based on the assigned credit grade and certain other criteria. Exposures with a credit grade 1 – 4.1 are reviewed at least every 12 months. Credit grade 4.3 - 7 exposures are reviewed at least semi-annually. The relevant credit unit may stipulate an earlier review or more frequent review cycles for any individual case.

BBRMs also undertake daily monitoring of out of order accounts and excesses. All excesses are actively managed and BBRMs are required to address issues identified on the same-day with a view to having accounts restored within approved limits. The primary aim is to prevent deterioration of the credit risk through timely action including customer engagement. Under certain circumstances, an out of order position on an account may be regularised by an increase in facilities or amendment to terms where appropriate, but always subject to the approval of a credit application, re-rating of the customer's PD and the amendment to terms being formally advised to the customer and documented in accordance with BB documentation policy.

BBRMs are responsible for ensuring that appropriate client interaction is maintained between review periods, monitoring covenant compliance, and for conducting interim credit reviews where appropriate, including immediately on becoming aware of any adverse change in a borrower's circumstances which may adversely impact the PD or credit grade.

Requests for amendments to loan terms and conditions are assessed by the BBRM. All material amendments require the submission of a credit application to BBCU for approval.

Recoveries Management

BB Credit Policy requires that immediate action be taken by the BBRM to protect BOI's interests where an exposure or customer relationship is downgraded from 4.1 or better to 4.3 or worse, pending an orderly transfer as appropriate to the BB Challenged Unit or the Specialist Property Group, both part of CAG. BB has prescribed detailed procedures for this purpose.

CAG comprises dedicated challenged structures resourced with experienced lenders supported by experienced credit unit underwriters, providing an overarching Group platform for the management of higher risk assets and facilitates the development of Group-wide strategies.

These specialist units have responsibility for managing and reducing or eliminating BB's exposure and/or restructuring credit facilities on a basis that supports the BOI Group's objective of minimizing loan losses and maximizing recoveries. A full spectrum of resolution strategies are deployed (ranging from temporary forbearance measures to insolvency options) in delivering this objective.

Group Impairment Policy outlines in detail the requirements in relation to the assessment for impairment. Each unit assesses credit exposures for objective evidence of impairment based on current information and events at the date of assessment. Identification of loss events and objective evidence of impairment occurs either through 'impairment assessment triggers' or 'impairment indicators', giving rise to the need to test for impairment by way of completion of discounted cash flow analysis or individual lender assessment

MANAGEMENT OF CREDIT CONCENTRATION RISK

The BOI Group's approach to Credit Concentration Risk is aligned with Article 81 of CRD IV on Concentration Risk. It is BOI strategy to avoid undue concentrations of counterparty/name, industry/sector, product, geography or other forms of significant connected risk in its credit books. Such concentrations are explicitly taken into account in BOI risk modelling at credit transaction level and are reflected in Economic Capital calculations. The governance of credit risk concentrations is set out in the BOI Group's Credit Concentration Risk policy as approved by Group Risk Policy Committee (GRPC), reviewed and updated annually. As part of the Court approved Risk Appetite Statement, the overall level of credit concentration risk in the portfolio is controlled across sectoral, regional and single name dimensions. Compliance with Credit Concentration Risk Limits is monitored on a monthly basis by GPRC and the Court through the Court Risk Report. The portfolio composition and trend in risk concentrations is monitored through regular reporting to Portfolio Review Committee ("PRC"). The PRC receives information on a quarterly basis covering internal measures, rating agency and other external measures of Sectoral, Regional and Single Name Concentrations.

SERVICING PRINCIPLES

The following servicing principles (the "**Servicing Principles**") shall apply to the servicing of the Reference Obligations. The administration, collection and enforcement of each Reference Obligation, including the enforcement of any security granted in respect thereof, shall be carried out by (i) a member of the BOI Group (in such capacity, a "**BOI Servicer**") in its capacity as a servicer on behalf of the Relevant Lender or (ii) a third party agent (a "**Servicing Agent**", each such Servicing Agent or BOI Servicer, a "**Servicer**") on behalf of a member of the BOI Group or (iii) an agent bank duly appointed under the documentation governing relevant Reference Obligation (an "**Agent Bank**"). As at the date of this Prospectus, all Reference Obligations comprised in the Reference Portfolio are serviced by BB, CBI or CAG, divisions of BOI.

(a) **Standard of BOI Servicer**

To the extent that a BOI Servicer or a Servicing Agent is responsible for servicing a Reference Obligation, BOI shall, or shall procure that each Servicing Agent appointed in respect of a Reference Obligation shall, acting as a Prudent Lender, in accordance with the applicable Credit and Collection Process or an approved exception to same, in compliance with the terms of the documentation governing the Reference Obligation, and in each case in the same manner and with the standard of skill and diligence that BOI applies of all other loans of equivalent nature originated, purchased, beneficially owned or administered by BOI:

- (i) in the ordinary course of its business:
 - (A) collect payments from borrowers under Reference Obligations and continue to administer such Reference Obligations with a view to the timely collection of all sums due under each Reference Obligation;
 - (B) exercise or refrain from exercising or enforcing its right arising in respect of Reference Obligations; and
 - (C) agree to or refuse any amendment or waiver of the terms applicable to any Reference Obligation;
- (ii) in respect of each Reference Obligation that becomes a Defaulted Reference Obligation:
 - (A) take reasonable steps to ensure the maximisation of recovery of funds taking into account:
 - (1) the likelihood of recovery of amounts due in respect of that Reference Obligation;
 - (2) the timing of recovery;
 - (3) the costs of recovery; and
 - (4) such other matters as a prudent lender acting in the ordinary course of its business may take into account, acting in good faith, as a prudent creditor would in protecting its own interests; and
 - (B) act in a manner that complies in all material respects with the then prevailing recovery standards that are then applicable; and
- (iii) perform the duties in (i) and (ii) above;
 - (A) with no less care than the BOI Servicer exercises or would exercise in connection with the servicing of assets similar to the Reference Obligations held for its own account as if such Reference Obligations are not the subject of the Credit Default Swap; and

- (B) without reference to any hedge contract or contracts of indemnity or financial guaranty contracts that may be entered into with regard to such Reference Obligations.

(b) **Discretion of BOI Servicer**

- (i) The BOI Servicer may, at any time prior to the occurrence of a Credit Event with respect to the relevant Reference Obligation, agree to the release by the Relevant Lender of any Reference Collateral if either (i) in its professional judgement, it concludes that it is required to do so by applicable laws or regulations or contractual arrangements or (ii) does so in the ordinary course of its business and in accordance with its then prevailing Credit and Collection Process that is applicable.
- (ii) Subject to applicable laws and regulations, the BOI Servicer may, on behalf of the Relevant Lender, agree on payment rescheduling or debt restructuring with a Reference Entity in accordance with BOI's then prevailing Credit and Collection Process that is applicable. Such restructuring shall be granted, in the interest of the Relevant Lender, to mitigate a deterioration of the credit quality of the relevant Reference Entity or to minimise any potential loss in respect of the relevant Reference Obligation.
- (iii) In all cases where the BOI Servicer may forgo the repayment of a portion of a Reference Obligation, the BOI Servicer shall have regard to the standard specified in paragraph (a)(iii) above.

(c) **Servicing Agent or Agent Bank performing servicing or enforcement functions**

If a Servicing Agent or Agent Bank is or becomes responsible for servicing or enforcing a Reference Obligation, the BOI Servicer shall monitor the Servicing Agent's or Agent Bank's performance of such functions in accordance with its customary policies, and in particular, the BOI Servicer shall monitor: (i) the servicing of each such Reference Obligation by a Servicing Agent or Agent Bank to ensure that such Reference Obligation is serviced in accordance with documentation governing the relevant Reference Obligation; and (ii) any enforcement action that a Servicing Agent or Agent Bank takes in respect of any Reference Obligation to ensure that the Servicing Agent or Agent Bank complies with its obligations under the documentation governing the relevant Reference Obligation.

Definitions

The following terms shall have their respective meanings set forth below:

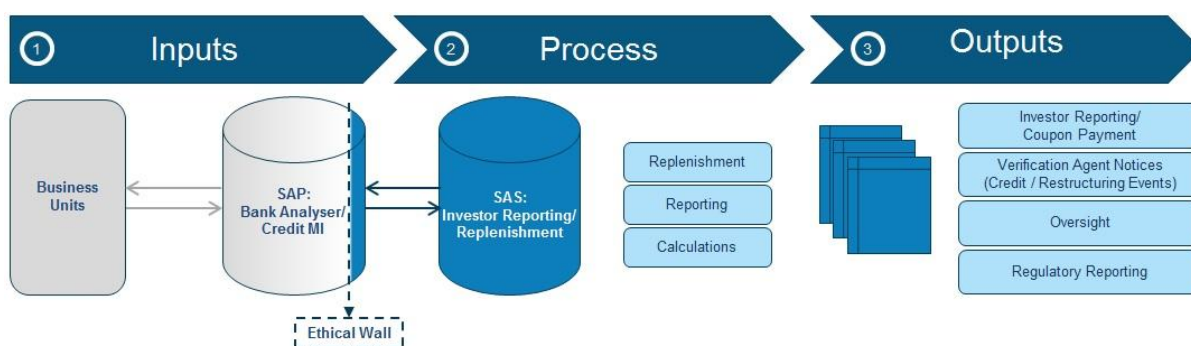
"Credit and Collection Process" means the credit and collection processes applied by BOI from time to time in the assessment and management of the credit risk of its customers in its day to day business and in the event of any variation between such process as applied by different BOI Servicers, such process as applied by the BOI Servicer in respect of the applicable Reference Obligation.

"Prudent Lender" means, at any time, a major financial institution carrying on a commercial lending and financing business which: (a) is a prudent and reasonable lender; and (b) applies standards which are no less prudent than those of BOI at such time, in each case where the characteristics of its borrowers and the terms of such lending are similar to those of the Reference Obligations and the related borrowers in respect of the Reference Obligation

"Reference Collateral" means, with respect to a Reference Obligation or Defaulted Reference Obligation any Security Interest granted to, or for the benefit of, the Relevant Lender as security for the obligations of the Reference Entity and/or Reference Obligor under the Reference Obligation or Defaulted Reference Obligation, as the case may be, provided that the Reference Collateral shall not include any of the aforementioned interests to the extent that it is held for the benefit of a person other than the Relevant Lender and in respect of such Reference Obligation.

"Security Interest" means a pledge, mortgage, guarantee or any other security interest.

SECURITISATION OPERATING AND SERVICE MODEL



Management of Reference Obligations within the Reference Portfolio is undertaken by the Business Banking and Corporate Banking business units. Business Banking and Corporate Banking are responsible for servicing the Reference Obligations and updating their records in respect of the Reference Obligations. Business Banking's and Corporate Banking's underlying loan systems will update the SAP Bank Analyser/ Credit MI system on a periodic basis.

The Reference Portfolio will be managed by the Securitisation Servicing Team and discharge BOI's role as Swap Calculation Agent. Reductions, Removals and Replenishment are automated using customised software designed on the SAS platform. The SAS platform, which is administered by the Securitisation Servicing Team, identifies changes in the Relevant Lender Exposure Amount, enabling Reductions, Removals and Replenishment during the Replenishment Period and Reductions/ Removals following the end of the Replenishment Period. The Securitisation Servicing Team is also responsible for the delivery on behalf of BOI of notifications such as Credit Event Notices deliverable under the Credit Default Swap and preparation of Replenishment Reports and Investor Reports.

The Securitisation Servicing Team will upload a file to a controlled area within the SAP Bank Analyser/ Credit MI system to record the amount of each Reference Obligation that has been included in the Reference Portfolio. These records will be accessible only by limited pool of authorised users having a legitimate business requirement to access this information. Authorised users will include the team(s) responsible for the preparation and review of the Group's regulatory returns.

SECURITY AND CASH ADMINISTRATION

The following descriptions consist of a summary of certain of the security and cash administration provisions of the Security Trust Deed and the Principal Collections Account Charge to be entered into on the Closing Date and the Conditions and are qualified by reference to the provisions of the Security Trust Deed and the Conditions, as appropriate. The following summary does not purport to be complete and prospective investors must refer to the Security Trust Deed and the Conditions, as appropriate, for detailed information.

Collection of Funds

All payments of Swap Premium received by the Issuer from the Swap Counterparty shall, upon initial receipt, be deposited into the Interest Collections Account.

"Interest Collections" means, for any Note Payment Date, the sum of the funds standing to the credit of, or credited to, the Interest Collections Account on such date.

The proceeds of the issuance of the Notes will, upon initial receipt by the Issuer, be deposited into the Principal Collections Account.

The Issuer Account Bank is required to record all payments into the Interest Collections Account and all applications of Interest Collections from the Interest Collections Account.

"Principal Collections" means, for any Note Payment Date or, as the case may be, Cash Settlement Date, the sum of the funds standing to the credit of, or credited to, the Principal Collections Account on such date and on or after the Security Enforcement Date, the Proceeds of any enforcement of the Cash Deposit Bank Security Agreement.

The Cash Deposit Bank is required to record all payments into the Principal Collections Account and all applications of Principal Collections from the Principal Collections Account.

Application of Funds

Interest Collections

Prior to the Security Enforcement Date, on each Note Payment Date (or, in the case of paragraph (d) below, only on the Note Payment Dates specified therein), the Interest Collections for such Note Payment Date will be allocated and applied as follows:

- (a) *first*, to pay or provide for payment to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses (excluding Exceptional Expenses) due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;
- (b) *second*, to pay or provide for payment to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses constituting Exceptional Expenses due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;
- (c) *third*, to pay or provide for payment to the Transaction Creditors, on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;
- (d) *fourth*, to pay or provide for payment to the Operating Creditors (excluding the Transaction Creditors), on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date or anticipated to be payable on or prior to the next following Note Payment Date;
- (e) *fifth*, to pay (but only on one Note Payment Date in each year, being the first Note Payment Date in each calendar year) to the Issuer for its own account (as profit in connection with the Notes transaction) the Issuer Transaction Fee;

- (f) *sixth*, to pay any accrued and unpaid interest on the Notes due on such Note Payment Date; and
- (g) *seventh*, on the Final Note Payment Date only, to pay any remaining balance of the Interest Collections Account into the Principal Collections Account.

On any other date prior to the Security Enforcement Date, the Issuer will apply, or cause to be applied, the funds standing to the credit of the Interest Collections Account, to pay, in the Order of Priority, to the Security Trustee, the Note Trustee and any relevant Operating Creditors any unpaid Budgeted Expenses determined as of the immediately preceding Note Payment Date which are payable to such party and which have not previously been paid out of the Interest Collections Account.

Principal Collections

On each Note Payment Date falling before the Security Enforcement Date, the Issuer shall apply, or cause to be applied, the Principal Collections for such Note Payment Date as follows:

- (a) *first*, to pay to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses (excluding Exceptional Expenses) due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (b) *second*, to pay to the Security Trustee and the Note Trustee, on a *pro rata* and *pari passu* basis, any Budgeted Expenses constituting Exceptional Expenses due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (c) *third*, to pay to the Transaction Creditors, on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (d) *fourth*, to pay to the Operating Creditors (excluding the Transaction Creditors), on a *pro rata* and *pari passu* basis, any Budgeted Expenses due and unpaid on such Note Payment Date to the extent not paid out of Interest Collections;
- (e) *fifth*, to pay to the Swap Counterparty each Cash Settlement Amount due on each Cash Settlement Date;
- (f) *sixth*, to make payments of principal due on, and reduce the Adjusted Principal Balance (after giving effect to the allocation of any Cash Settlement Amounts or Cash Settlement Reimbursement Amounts, if any, on such Note Payment Date or in the preceding Interest Period) of the Notes; and
- (g) *seventh*, on the Final Note Payment Date only, to pay the balance of the Principal Collections Account to the Issuer on the Final Note Payment Date.

Allocation and Priority of Application on or after the Security Enforcement Date

On or after the Security Enforcement Date, the Transaction Administrator shall ensure that the funds in the Interest Collections Account and the Principal Collections Account will be applied in accordance with the provisions of the Security Trust Deed, and in any event, in accordance with the instructions of the Security Trustee.

Security

As continuing security for the payment of all monies payable by the Issuer in respect of the Notes and the other Secured Obligations, the Issuer will, on the Closing Date, enter into a security trust deed (together with any agreement for the time being in force amending or supplementing such deed, the "**Security Trust Deed**") and the Principal Collections Account Charge with the Security Trustee and others pursuant to which the Issuer will grant the following security interests to the Security Trustee for the benefit of the Secured Parties:

- (a) an assignment by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any, in and to all sums of money to which it is or may be entitled and are from time to time and at any time standing to the credit of the Interest Collections Account and

any other bank account or other account present or future in any jurisdiction (other than the account in which the paid up ordinary share capital of the Issuer and any Issuer Transaction Fee have been deposited) in which it may at any time acquire any right, title, interest or benefit together with all interest accruing from time to time thereon and the debt represented by such accounts;

- (b) a charge by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any in and to all sums of money to which it is or may be entitled and are from time to time and at any time standing to the credit of the Principal Collections Account together with all interest accruing from time to time thereon and the debt represented by such account;
- (c) an assignment by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any, under each of the Cash Deposit Agreement, the Custody Agreement, the Collateral Monitoring Agreement, Issuer Account Bank Agreement, the Administration and Cash Management Agreement, the Agency Agreement, the Corporate Services Agreement, the Credit Default Swap, the Notes, the Note Trust Deed, the Security Trust Deed and the Principal Collections Account Charge (save for any rights, title, interests and benefits, present and future that it may have against the Security Trustee under the Security Trust Deed and the Principal Collections Account Charge) and the Subscription Agreement;
- (d) an assignment by way of first fixed security of any and all of its rights, title, interests and benefits (present and future), if any, in respect of the security interests granted to the Issuer by the Cash Deposit Bank under the Cash Deposit Bank Security Agreement;
- (e) an assignment by way of first fixed security of all of its rights, title, interests and benefits (present and future), if any, under any replacement Cash Deposit Agreement, Cash Deposit Bank Security Agreement, Issuer Account Bank Agreement or other agreement entered into pursuant to or as contemplated in the Transaction Documents from time to time; and
- (f) a first floating charge over the whole of its undertaking, property, assets, rights and revenues (other than those in which the paid up ordinary share capital of the Issuer and any Issuer Transaction Fee have been deposited) to the extent not effectively encumbered by the fixed security described above.

All of the assets and property which are expressed to be subject to the security created under or pursuant to the Security Documents are herein referred to as the "**Charged Assets**". On enforcement of the Security in accordance with Condition 10 (*Events of Default and Acceleration*), Condition 17 (*Enforcement*), the Security Trust Deed and the Principal Collections Account Charge, the Security Trustee is required to apply monies available for distribution in accordance with the Enforcement Order of Priority.

Enforcement of the Security

The Security Trustee, subject to being indemnified and/or secured and/or prefunded to its satisfaction, (1) shall upon receipt by it of a Note Enforcement Notice, or (2) following the occurrence of a Swap Acceleration Event, may, at its discretion, or shall, if so directed by the Instructing Party, give a notice (an "**Security Enforcement Notice**") to the Issuer (with a copy to the Note Trustee, the Transaction Administrator and each Agent) declaring either (A) that the Security has become enforceable on the Security Enforcement Date or (B) the Security shall be enforceable following the occurrence of an Security Enforcement Date.

The "**Security Enforcement Date**" shall be the date which is the second Business Day following earliest of (1) the date that a Security Enforcement Notice is delivered to the Issuer by the Security Trustee pursuant to the Security Trust Deed and (2) the date upon which a Swap Acceleration Event occurs (without the need for any further notice or action on the part of the Security Trustee).

Enforcement Order of Priority

- (a) On or after the Security Enforcement Date, the Security Trustee shall (subject to any applicable laws including laws of bankruptcy, insolvency, liquidation or other laws affecting creditors' rights generally) apply or cause to be applied the proceeds of realisation of the Charged Assets in the Enforcement Order of Priority set out below:

- (i) *first*, to pay or provide for, in no order of priority, *inter se*, but *pro rata* to the respective amounts payable under the provisions of the Security Trust Deed, the Note Trust Deed and the other Transaction Documents by way of remuneration and/or indemnification or which are otherwise payable by the Issuer to the Security Trustee and the Note Trustee and/or any Receiver appointed pursuant to the Security Documents or the Note Trust Deed, their respective Expenses;
- (ii) *second*, to pay, or provide for on a *pari passu* basis and *pro rata* to the respective amounts payable to the Transaction Creditors their respective Expenses payable and not previously paid;
- (iii) *third*, to pay, or provide for on a *pari passu* basis and *pro rata* to the respective amounts payable to the Operating Creditors (excluding the Transaction Creditors) their respective Expenses payable and not previously paid;
- (iv) *fourth*, to pay or provide for amounts payable to the Swap Counterparty, in respect of the Issuer's obligations to the Swap Counterparty under the Credit Default Swap;
- (v) *fifth*, to pay, in respect of the Notes, firstly, all amounts of interest then due and payable in respect of the Adjusted Principal Balance of the Notes and, secondly, all amounts of principal then due and payable in respect of the Principal Balance of the Notes; and
- (vi) *sixth*, to pay the balance, if any, to the Issuer.

Governing law

The Security Trust Deed and any non-contractual obligations arising out of or in connection with the Security Trust Deed are governed by, and shall be construed in accordance with, English law.

The Principal Collections Account Charge and any non-contractual obligations arising out of or in connection with the Principal Collections Account Charge are governed by, and shall be construed in accordance with, Irish law.

USE OF PROCEEDS

On the Closing Date, the proceeds of the offering of the Notes will be deposited by the Issuer into the Principal Collections Account. Collateral Principal Proceeds will be used to pay, among other things, Cash Settlement Amounts which the Issuer may become obliged to pay from time to time pursuant to the Credit Default Swap. See "*Security and Cash Administration — Application of Funds*".

The Issuer will (with funds received on the Closing Date from the Swap Counterparty under the Credit Default Swap), on the Closing Date, pay (or procure the payment of) all fees incurred by it in connection with the issuance of the Notes (including the aggregate expenses related to the admission of the Notes to trading, which are estimated to be EUR 7,000) and no amount will be deducted from the proceeds of the issuance of the Notes for such purpose.

The Issuer shall not use the proceeds of the offering of the Notes for the purposes of funding any person, activity, business or transaction (whichever is applicable pursuant to the nature and scope of the relevant sanctions regime), that is, at the date of such funding, subject to any sanctions administered or enforced by the U.S. Government (including without limitation, OFAC or the U.S. Department of State), or any enabling legislation or executive order relating thereto or any equivalent sanctions or measures imposed by the European Union, the United Kingdom or the United Nations, including sanctions imposed against certain states, organisations and individuals under the European Union's Common Foreign and Security Policy.

THE ISSUER

The Issuer was incorporated and registered in Ireland (under company registration number 556811) as a private company limited by shares under the Irish Companies Act 1963 on 2 February 2015. With effect from 10 October 2016, the Issuer converted to a designated activity company under the Irish Companies Act 2014 (which replaced the Companies Act 1963). The registered office of the Issuer is at Pinnacle 2, Eastpoint Business Park, Dublin 3, Ireland. The entire issued share capital of the Issuer (1 ordinary share of €1) is held by the Deutsche International Finance (Ireland) Limited (the "**Share Trustee**"), under the terms of a trust established under Irish law by a declaration of trust dated 23 December 2016 on discretionary trust for a number of charitable purposes. The Issuer has been established as a special purpose company for the purpose of issuing the Notes and entering into the Credit Default Swap. The Issuer has no subsidiaries.

The telephone number of the Issuer is +353 1 6186000.

Deutsche International Corporate Services (Ireland) Limited (the "**Corporate Services Provider**") acts as the corporate services provider for the Issuer. The office of the Corporate Services Provider serves as the general business office of the Issuer. Through this office and pursuant to the terms of the corporate services agreement entered into on or about the Closing Date between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**"), the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving at least 90 days written notice to the other party. The Corporate Services Provider's principal office is at 6th Floor, Pinnacle 2, Eastpoint Business Park, Dublin 3, Ireland. The principal objects of the Issuer are set out in Clause 3 of its Constitution and amongst other things to, enter into any arrangement relating to, deal and participate in, underwrite and sell or dispose of by any means credit default swaps.

Neither The Governor and Company of the Bank of Ireland nor any associated body of The Governor and Company of the Bank of Ireland owns directly or indirectly any of the share capital of the Share Trustee or the Issuer.

The Issuer has not commenced operations and has not engaged, since its incorporation, and will not engage in any material activities other than those incidental to its incorporation, the authorisation and issue of the Notes and the Credit Default Swap, the matters referred to or contemplated in this Prospectus and the authorisation, execution, delivery and performance of the other documents referred to in this Prospectus to which it is a party and matters which are incidental or ancillary to the foregoing.

No financial audited statements of the Issuer have been prepared as at the date of this Prospectus.

Directors

The Directors of the Issuer and their respective business addresses and principal activities are:

Name	Address	Principal Activities
Bianca Schwarze	6th Floor, Pinnacle 2, Eastpoint Business Park, Dublin 3	Company Director
Michael Carroll	6th Floor, Pinnacle 2, Eastpoint Business Park, Dublin 3	Company Director

The Secretary of the Issuer is Deutsche International Corporate Services (Ireland) Limited.

DESCRIPTION OF NOTEHOLDER REPORTS

Pursuant to the terms of the Administration and Cash Management Agreement, the Transaction Administrator will prepare and make available a number of reports relating to the transaction. The following is a summary of specific provisions of the Administration and Cash Management Agreement to be entered into on the Closing Date and is qualified by reference to the provisions of the Administration and Cash Management Agreement. The summary does not purport to be complete and prospective investors must refer to the Administration and Cash Management Agreement for detailed information.

Description of Investors' Report

Within 15 Business Days after each Note Payment Date (a "**relevant Payment Date**"), the Transaction Administrator shall make available to the Issuer, the Swap Counterparty, the Paying Agents and the Note Trustee, and if after the Security Enforcement Date, or at any other time if so requested, then also make available to the Security Trustee, and shall also make available to Noteholders at the Specified Office of the Principal Paying Agent, a report substantially in the form of the Investors' Report as set out in Schedule 5 (*Investor's Report*) to the Administration and Cash Management Agreement (the "**Investors' Report**") in respect of the period commencing on and including the Note Payment Date immediately preceding the relevant Note Payment Date (or in the case of the first Note Payment Date, the Closing Date) and ending on but excluding the relevant Note Payment Date (the "**Relevant Reporting Period**"). The information set out in such Investors' Report will not be verified by the Transaction Administrator and will be based solely on the information provided to it by the Swap Counterparty and the Swap Calculation Agent. The Transaction Administrator takes no responsibility for the form, substance or content of the Investors' Report, but has agreed to make the Investors' Report available as aforesaid.

The Investors' Reports with respect to each relevant Note Payment Date will be made available on the Transaction Administrator's website, currently <https://tss.sfs.db.com/investpublic/>. The Transaction Administrator's website does not form part of the information provided for the purposes of the Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration shall be required for access to such website and persons wishing to access the website will be required to certify that they are entitled to access to information posted thereon.

To the extent that the Transaction Administrator has received such information from the Swap Counterparty and/or the Calculation Agent in accordance with the Transaction Documents, the Investors' Report will set forth, among other things, the following information with respect to the Notes in respect of the Relevant Reporting Period (to the extent not previously reported):

- (a) for each Defaulted Reference Obligation where such information is available on the relevant Investor Reporting Date:
 - (i) the Date of Default for such Defaulted Reference Obligation;
 - (ii) the Event Determination Date;
 - (iii) the type of Credit Event;
 - (iv) the Defaulted Notional Amount;
 - (v) the Initial Loss Amount;
 - (vi) in respect of a Reference Obligation that is a Worked Out Reference Obligation, the Work Out Completion Date, the Final Loss Amount and the Adjustment Amount;
- (b) the Synthetic Excess Spread, Remaining Threshold Amount, the Protected Tranche Notional Amount, and the Senior Tranche Notional Amount as of the last day of the quarter of such Relevant Reporting Period;
- (c) a summary of the Reference Portfolio as of the last day of such Relevant Reporting Period, including;
- (d) a summary of any movements, Reductions, Removals and Replenishments that occurred during the Relevant Reporting Period; and

- (e) a summary of the Reference Portfolio by reference to the Reference Portfolio Eligibility Criteria, including, for any Replenishments, by reference to the Reference Portfolio Eligibility Criteria immediately prior to and immediately following such Replenishment.

Description of Replenishment Report

On or around the 20th Business Day of each calendar month from and including January 2017, the Transaction Administrator shall make available to the Issuer, the Swap Counterparty, the Paying Agents and the Note Trustee, and if after the Security Enforcement Date, or at any other time if so requested, then also make available to the Security Trustee, and shall also make available to Noteholders at the Specified Office of the Principal Paying Agent, a report substantially in the form of the Replenishment Report as set out in Schedule 6 (*Replenishment Report*) to the Administration and Cash Management Agreement (the "**Replenishment Report**") in respect of the immediately preceding calendar month. The Reference Register shall form part of the Replenishment Report. The information set out in such Replenishment Report will not be verified by the Transaction Administrator and will be based solely on the information provided to it by the Swap Counterparty and the Swap Calculation Agent. The Transaction Administrator takes no responsibility for the form, substance or content of the Replenishment Report, but has agreed to make the Replenishment Report available as aforesaid.

The Replenishment Reports with respect to each calendar month will be made available on the Transaction Administrator's website, currently <https://tss.sfs.db.com/investpublic/>. The Transaction Administrator's website does not form part of the information provided for the purposes of the Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration shall be required for access to such website and persons wishing to access the website will be required to certify that they are entitled to access to information posted thereon.

To the extent that the Transaction Administrator has received such information from the Swap Counterparty and/or the Calculation Agent in accordance with the Transaction Documents, the Replenishment Report will set forth, among other things, the following information with respect to the Notes in respect of the Relevant Reporting Period (to the extent not previously reported):

- (a) the Reference Register as of the last day of such calendar month;
- (b) a summary of any movements, Reductions, Removals and Replenishments that occurred during such calendar month; and
- (c) a summary of the Reference Portfolio by reference to the Reference Portfolio Eligibility Criteria, including, for any Replenishments, by reference to the Reference Portfolio Eligibility Criteria immediately prior to and immediately following such Replenishment.

Description of Cash Transaction Administrator's Report

Within 15 Business Days after each Note Payment Date (the "**relevant Payment Date**"), the Transaction Administrator shall make available to the Issuer, the Swap Counterparty, the Paying Agents and the Note Trustee, and if after the Security Enforcement Date, or at any other time if so requested, then also make available to the Security Trustee, and shall also make available at the Specified Office of the Principal Paying Agent, a consolidated report substantially in the form of the Cash Transaction Administrator's Report as set out in Schedule 3 (*Cash Transaction Administrator's Report*) to the Administration and Cash Management Agreement (the "**Cash Transaction Administrator's Report**") in respect of the period commencing on and including the Note Payment Date immediately preceding the relevant Note Payment Date (or in the case of the first Note Payment Date, the Closing Date) and ending on but excluding the relevant Note Payment Date (the "**Relevant Reporting Period**"), together with any Collateral Monitoring Statements received pursuant to the Collateral Monitoring Agency Agreement during the relevant period and a confirmation from BOI that any Collateral Securities referred to in such Collateral Management Statements satisfy the definition of Eligible Securities in the Cash Deposit Bank Security Agreement.

The Cash Transaction Administrator's Reports will be made available on the Transaction Administrator's website, currently at <https://tss.sfs.db.com/investpublic/>. The Transaction Administrator's website does not form part of the information provided for the purposes of the Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration shall be required for access to such

website and persons wishing to access the website will be required to certify that they are entitled to access to information posted thereon.

To the extent that the Transaction Administrator has received such information from the Collateral Monitoring Agent, the Swap Counterparty, the Swap Calculation Agent, the Principal Paying Agent, the Cash Deposit Bank and/or the Issuer Account Bank in accordance with the Transaction Documents, the Cash Transaction Administrator's Report will attach any Collateral Monitoring Statement received pursuant to the Collateral Monitoring Agreement during the Relevant Reporting Period and set forth, among other things, the following information with respect to the Notes in respect of the Relevant Reporting Period:

(a) **Income in respect of the relevant period:**

- (i) Aggregate amount of Budgeted Expenses received in respect of the Credit Default Swap;
- (ii) Interest earned on and credited to the Accounts;
- (iii) Aggregate amount of Budgeted Expenses received in respect of the Credit Default Swap;
- (iv) Aggregate Fixed Amounts received in respect of the Credit Default Swap.

(b) **Expenditure and adjustments during the relevant period:**

- (i) Aggregate amount of Budgeted Expenses paid;
- (ii) Aggregate Cash Settlement Amounts paid;
- (iii) Interest Amount paid on the relevant Note Payment Date in respect of the Notes;
- (iv) Amount of any principal paid in respect of the Notes;
- (v) As of the relevant Note Payment Date, the Principal Balance in respect of the Notes;
- (vi) As of the relevant Note Payment Date, the Adjusted Principal Balance in respect of the Notes.

(c) **In respect of the next following Interest Period and Note Payment Date:**

- (i) Date of following Note Payment Date;
- (ii) EURIBOR calculated in accordance with the Notes;
- (iii) Rate of Interest applicable in respect of the Notes;
- (iv) the aggregate Interest Amount expected to be payable in respect of the Notes for the next applicable Interest Period.

(in each case, assuming that no reduction or reinstatement will be made to the Adjusted Principal Balance of the Notes after the determination of the Interest Amount on or after the date hereof).

Governing law

The Administration and Cash Management Agreement and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

CASH DEPOSIT AGREEMENT

The following descriptions consist of summaries of certain of the provisions of the Cash Deposit Agreement to be entered into on the Closing Date and are qualified by reference to the provisions of the Cash Deposit Agreement. The following summary does not purport to be complete and prospective investors must refer to the Cash Deposit Agreement for detailed information.

The Cash Deposit Bank will provide certain banking services to, and establish and operate the Principal Collections Account on behalf of, the Issuer in accordance with the terms of the Cash Deposit Agreement.

Deposit of Funds into the Principal Collections Account

The issue proceeds of the Notes will, as at the Closing Date, be credited to the Principal Collections Account.

Withdrawal from the Principal Collections Account

Until all Secured Obligations of the Issuer shall have been discharged in full, neither the Issuer nor the Transaction Administrator shall, without the consent of the Security Trustee, be entitled to withdraw the monies standing to the credit of the Principal Collections Account or any part thereof and the Cash Deposit Bank shall not be under any obligation to release any balance standing to the credit of the Principal Collections Account (other than to transfer interest amounts to the Interest Collections Account) unless and to the extent that its withdrawal is to make payments anticipated under the Security Trust Deed or the Cash Deposit Agreement.

If the directions to withdraw funds to make payments are received by the Cash Deposit Bank before 11.00 a.m. London time 2 Business Days prior to the date on which the payment is to be made, the Cash Deposit Bank shall if so directed comply with such directions by no later than 10.00 a.m. London time on the date falling 2 Business Days after receipt of such direction. With respect to directions received at or after 11.00 a.m. London time on any Business Day or on a day which is not a Business Day, such direction shall be deemed to have been received at 9:00 a.m. London time on the immediately following Business Day and the preceding sentence shall apply accordingly.

Interest on Principal Collections Account

Interest shall accrue on the credit balance of the Principal Collections Account for each Interest Period (or part thereof) occurring at any other time, at a rate of interest (subject to a minimum of zero) agreed between the Cash Deposit Bank, the Issuer and the Swap Counterparty from time to time and will be paid to the Interest Collections Account in arrear on each Note Payment Date.

Termination of the Cash Deposit Agreement and replacement of Cash Deposit Bank

Termination by Cash Deposit Bank

The Cash Deposit Agreement may be terminated by the Cash Deposit Bank upon the expiry of not less than 45 calendar days' written notice of termination, without assigning any reason therefor, given by the Cash Deposit Bank to the Issuer, subject to and in accordance with the general termination provisions of the Cash Deposit Agreement described below.

Termination by Issuer

Pursuant to the Cash Deposit Agreement, the Issuer agrees that if directed by the Swap Counterparty, it shall terminate the Cash Deposit Agreement and appoint a new entity as Cash Deposit Bank in accordance with the terms of the Cash Deposit Agreement.

The Cash Deposit Agreement may be terminated by the Issuer upon the expiry of not less than 45 calendar days' written notice of such termination given by the Issuer to the Cash Deposit Bank and the Transaction Administrator, subject to and in accordance with the general termination provisions of the Cash Deposit Agreement described below.

In addition, the Issuer shall also terminate the Cash Deposit Agreement by not less than 5 Business Days' prior written notice to the Cash Deposit Bank and the Transaction Administrator in the event that:

- (a) the Cash Deposit Bank becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or any substantial part of its property (other than pursuant to a consolidation, amalgamation or merger), or if an administrator, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed, or it admits in writing its inability to pay or meet its debts as they may mature or suspends payment of its debts, or if an order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law or if a public officer takes charge or control of the Cash Deposit Bank or of its property or affairs for the purpose of rehabilitation, administration or liquidation, and such appointment is not revoked, or order is not dismissed, discharged, stayed or restrained, as applicable, within 30 calendar days of its making or institution; or
- (b) the Cash Deposit Bank delivers to the Issuer an opinion of independent legal or tax advisers of recognised standing to the effect that the Cash Deposit Bank will be required to deduct or withhold an amount on account of Tax from any amount payable to the Issuer in respect of the Principal Collections Account.

General conditions relating to termination of the Cash Deposit Agreement

Termination of the Cash Deposit Agreement will only take effect upon (and the Cash Deposit Bank will not be released from its obligations until) the satisfaction of the following conditions:

- (a) the party delivering the termination notice delivers such notice to the Cash Deposit Bank or the Issuer, as the case may be;
- (b) the Security Trustee (acting on the instructions of the Note Trustee) and the Swap Counterparty consent in writing to such termination; and
- (c) the appointment by the Issuer of a suitably experienced substitute Cash Deposit bank (selected by the Swap Counterparty) **provided that:** (1) such appointment is approved in writing by the Security Trustee (acting on the instructions of the Note Trustee) and the Swap Counterparty and is effective not later than the termination of the Cash Deposit Agreement; (2) the substitute bank has the Cash Deposit Bank Required Rating or if not, its obligations under the replacement Cash Deposit Agreement are guaranteed by a financial institution with the Cash Deposit Bank Required Rating; and (3) such substitute bank has entered into an agreement with the Issuer, the Transaction Administrator, the Note Trustee and the Security Trustee substantially on the terms of the Cash Deposit Agreement (and at the same time thereof, the Issuer shall grant security over its interest in such agreement and any accounts and security interest created thereunder in favour of the Security Trustee) and **provided further that** if by the relevant cut-off time as provided in the Cash Deposit Agreement a substitute cash deposit bank has not been appointed then the Cash Deposit Bank may itself appoint as its successor any reputable bank or financial institution (satisfying the requirements of (2) and (3) above), without the prior written approval of the Issuer, the Security Trustee (acting on the instructions of the Note Trustee) and the Swap Counterparty.

The party delivering the termination notice is also required to provide the Transaction Administrator, the Security Trustee, the Note Trustee and the Swap Counterparty with a copy of the termination notice at the same time such notice is delivered to the Cash Deposit Bank or the Issuer, as the case may be.

A failure on the part of the Issuer to replace the Cash Deposit Bank following the occurrence of the events described above, would constitute an Event of Default with respect to the Notes, if such failure is, in the sole opinion of the Note Trustee (1) materially prejudicial to the interests of the Noteholders and (2) incapable of remedy or, if capable of remedy, continues unremedied for a period of 30 calendar days following the delivery by the Note Trustee of written notice thereof to the Issuer. If the above Event of Default occurs then the Note Trustee may, at any time, and shall, if so directed in writing by the holders of at least 25 per cent. of the Adjusted Principal Balance of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, and subject to being indemnified and/or secured and/or

prefunded to its satisfaction, deliver a Note Enforcement Notice to the Issuer declaring the Notes to be immediately due and payable.

Governing law

The Cash Deposit Agreement and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

THE CASH DEPOSIT BANK SECURITY AGREEMENT, COLLATERAL SECURITIES AND CUSTODY AGREEMENT

The following description of the Cash Deposit Bank Security Agreement and the Custody Agreement consists of a summary of certain provisions of these agreements and is qualified by reference to the provisions thereof. The following summary does not purport to be complete and prospective investors must refer to the Cash Deposit Bank Security Agreement and Custody Agreement, as appropriate, for detailed information.

Cash Deposit Bank Security Agreement

The Cash Deposit Bank will secure its obligations in respect of the Principal Collections Account by (1) granting a first fixed charge to the Issuer over a portfolio of Eligible Securities and cash in EUR (together, the "**Eligible Collateral**") held by the Cash Deposit Bank in the Custody Account having a Market Value which is not less than the Cash Deposit Bank Security Minimum Amount, as more particularly set out in the Cash Deposit Bank Security Agreement; and (2) assigning its rights under and in respect of the Custody Agreement (the "**Cash Deposit Bank Security**"). The Cash Deposit Bank Security shall also cover any income or principal proceeds of the Collateral Securities in the Custody Account.

The "**Cash Deposit Bank Security Minimum Amount**" is, on any date of determination, an amount equal to 105 per cent. of the balance of the Principal Collections Account on such date (after settlement of any withdrawals or deposits on such date).

The Cash Deposit Bank will appoint a collateral monitoring agent (the "**Collateral Monitoring Agent**") to (i) monitor whether the Collateral Securities and cash, on the date on which they are deposited in the Custody Account and on each Valuation Day, are Eligible Collateral and (ii) calculate on each Valuation Day whether the Eligible Collateral in the Custody Account has a Market Value amount which is not less than the Cash Deposit Bank Security Minimum Amount.

"**Valuation Day**" means, for so long as the Custodian shall have the Custodian Required Rating and the Cash Deposit Bank shall have the Cash Deposit Bank Required Rating, the Business Day immediately prior to each Note Payment Date; and otherwise, and with effect from the 10th Business Day following notice from the Cash Deposit Bank to the Collateral Monitoring Agent that the Custodian no longer has the Custodian Required Rating or the Cash Deposit Bank no longer has the Cash Deposit Bank Required Rating, as applicable, the second Business Day of each calendar week. Under the terms of the Collateral Monitoring Agreement, BOI shall notify the Collateral Monitoring Agent as soon as reasonably practicable of any such downgrade.

On any Business Day on which the Cash Deposit Bank is notified by the Collateral Monitoring Agent that any of the Collateral Securities or cash at that time held in the Custody Account were not Eligible Collateral on the date such Collateral Securities or cash were deposited into the Custody Account or on the most recent Valuation Day, the Cash Deposit Bank shall deposit additional Eligible Collateral into the Custody Account having an aggregate Market Value which is not less than the Market Value of (i) the Cash Deposit Bank Security Minimum Amount minus (ii) the Market Value of all Eligible Collateral already in the Custody Account at such time.

On any Note Payment Date upon which the credit balance of the Principal Collections Account is increased as a result of any Cash Settlement Reimbursement Amount having been paid by the Swap Counterparty into the Principal Collections Account on the preceding Cash Settlement Date, the Cash Deposit Bank will instruct the deposit of additional Eligible Collateral into the Custody Account. The Market Value of such additional Eligible Collateral shall be not less than the Cash Deposit Bank Security Minimum Amount minus the Market Value of all Eligible Collateral already in the Custody Account at such time.

Withdrawals from Custody Account

Prior to the redemption of the Notes in full, any withdrawal or release of any Collateral Securities or cash held in the Custody Account will require the consent of the Issuer (or the Transaction Administrator on its behalf). However, the Cash Deposit Bank undertakes not to deliver any such instructions unless, and the Transaction Administrator will only be required to grant such consent if the Cash Deposit Bank confirms

in writing that, based on information provided to the Cash Deposit Bank by the Custodian and/or the Collateral Monitoring Agent, one or more of the following circumstances apply:

- (i) on any Business Day, to permit the Cash Deposit Bank to withdraw any cash held in the Custody Account which comprises Custody Income Proceeds;
- (ii) on any Business Day on or after any Note Payment Date, to permit the Cash Deposit Bank to withdraw cash or Collateral Securities having a Market Value equal to the excess of the aggregate Market Value of such cash and Collateral Securities above the Cash Deposit Bank Security Minimum Amount on that Note Payment Date;
- (iii) on any Business Day, following the deposit of Eligible Collateral to replace any Ineligible Collateral held in the Custody Account, to permit the Cash Deposit Bank to withdraw such Ineligible Collateral as has been replaced;
- (iv) on any Business Day prior to an Cash Deposit Bank Security Enforcement Event, to permit the Cash Deposit Bank to apply the proceeds of any redemption of Collateral Securities to purchase additional Eligible Collateral, which shall be deposited into the Custody Account. Any such application of the redemption proceeds shall be required to settle directly from and to the Custody Account on a "delivery versus payment" basis or such other basis agreed to in accordance with the terms thereof; and
- (v) following the occurrence of a Collateral Default Event, to permit the Cash Deposit Bank to sell or take such action in respect of any Collateral Securities in accordance with the Cash Deposit Bank Security Agreement, provided that the proceeds of such sale or other action are paid into the Custody Account; and
- (vi) on any Business Day, to permit the Cash Deposit Bank to transfer Eligible Collateral (the "**Substitute Collateral**") to the Custody Accounts in substitution for certain other Eligible Collateral (the "**Original Collateral**"), provided that such Substitute Collateral has a Market Value, as of such date, equal to or greater than the Market Value of the Original Collateral on such date.

Other than on each Valuation Day (as such term is defined in the Collateral Monitoring Agreement) neither the Cash Deposit Bank nor the Collateral Monitoring Agent shall be required to determine whether the Collateral Securities and Collateral Cash held in the Custody Account consists of Eligible Collateral.

Enforcement of Cash Deposit Bank Security

The security granted pursuant the Cash Deposit Bank Security Agreement may be enforced by the Issuer or, pursuant to the terms of the Security Trust Deed, the Security Trustee (and in the case of the Security Trustee only, subject to being instructed by an Instructing Party or the Note Trustee acting in accordance with a direction of the Noteholders and indemnified and/or secured and/or prefunded to its satisfaction as applicable), if any of the following occur (each an "**Cash Deposit Bank Security Enforcement Event**"):

- (i) the Cash Deposit Bank fails to make any payment or repayment in respect of the Principal Collections Account when due;
- (ii) any breach by the Cash Deposit Bank of any of its obligations under the Cash Deposit Bank Security Agreement or any of its obligations in respect of the Principal Collections Account under the Cash Deposit Agreement (other than a failure referred to in sub-paragraph (i)) which is not remedied within five Business Days of the receipt by the Cash Deposit Bank of notice in writing of such default from the Issuer;
- (iii) the Cash Deposit Bank becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, examiner, liquidator or administrative or other receiver of all or any substantial part of its property (other than pursuant to a consolidation, amalgamation or merger), or if an administrator, examiner, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed, or it admits in writing its inability to pay or meet its debts as they may mature or suspends payment of its debts, or if an

order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law or if a public officer takes charge or control of the Cash Deposit Bank or of its property or affairs for the purpose of rehabilitation, administration or liquidation, and such appointment is not revoked, or order is not dismissed, discharged, stayed or restrained, as applicable, within 30 calendar days of its making or institution.

Upon the enforcement of the Cash Deposit Bank Security, the Issuer or pursuant to the terms of the Security Trust Deed the Security Trustee may, among other powers as set out more fully in the Cash Deposit Bank Security Agreement, take possession of the Collateral Securities and any cash in the Custody Account, and/or exercise a power of sale in respect of the Collateral Securities.

Collateral

"Eligible Collateral" shall mean cash in EUR and Eligible Securities.

"Collateral Securities" means the securities from time to time recorded in and represented by the credit balance of the Securities Account.

"Eligible Securities" means any debt securities which can be held by the Custodian directly or through Clearstream Banking S.A. and/or Euroclear Bank SA/NV (or any successors thereof) and which:

- (i) are issued by, or irrevocably and unconditionally guaranteed by, an issuer or guarantor, as applicable, which is not domiciled in the Republic of Ireland;
- (ii) are assets referred to in Article 10 of Commission Delegated Regulation (EU) 2015/61;
- (iii) are issued by, or irrevocably and unconditionally guaranteed by, an issuer or guarantor, as applicable, with any one or more of the following long-term issuer credit ratings: BBB- or higher by S&P, BBB- or higher by Fitch, BBB (low) or higher by DBRS, or Baa3 by Moody's; and
- (iv) are denominated in Euro.

"Ineligible Collateral" means any of the Collateral Securities or cash in respect of which the Cash Deposit Bank is notified by the Collateral Monitoring Agent were not Eligible Collateral on any Valuation Day or on the date such Collateral Securities or cash were deposited into the Custody Account.

"Securities Account" means a segregated securities account in the name of the Cash Deposit Bank and maintained by the Custodian in accordance with the terms of the Custody Agreement.

Custody Agreement and Custody Account

Pursuant to the Custody Agreement, the Custodian will hold the Collateral Securities and cash in a designated segregated custody cash account and securities account in the name of the Cash Deposit Bank (the **"Custody Account"**).

The Custodian will identify the Securities in its books and records as being beneficially owned by the Security Provider.

Termination of the Custody Agreement and replacement of Custodian

Resignation by Custodian

The Custodian may resign its appointment under the Custody Agreement, without providing any reason, by not less than 60 days' notice to the Cash Deposit Bank, the Issuer and the Transaction Administrator; provided that such resignation shall not take effect until a successor has been duly appointed in accordance with the successor provisions of the Custody Agreement as described below.

Revocation of appointment of Custodian by Cash Deposit Bank

The Cash Deposit Bank may (with the prior written approval of the Issuer) revoke its appointment of the Custodian by not less than 31 days' notice to the Custodian, provided that such resignation shall not take effect until a successor with the Custodian Required Rating has been duly appointed in accordance with the successor provisions of the Custody Agreement as described below.

Additionally, the Cash Deposit Bank may revoke the Custodian's appointment by notice in writing to the Issuer, the Transaction Administrator and the Custodian if the Custodian (i) commits any material breach of the Custodian Agreement which is either incapable of remedy or has not been remedied within 31 days of the Cash Deposit Bank serving notice upon it requiring it to remedy the same, or (ii) is unable to pay its debts as they fall due or otherwise become insolvent or subject to any insolvency process, provided that such resignation shall not take effect until a successor with the Custodian Required Rating has been duly appointed in accordance with the successor provisions of the Custody Agreement described below.

General Conditions relating to the appointment of successor Custodians

Where a resignation or revocation occurs under the Custody Agreement as described above, the Cash Deposit Bank shall, with the prior written approval of the Issuer, appoint a successor custodian, on the same terms *mutatis mutandis* as the Custody Agreement (save as otherwise agreed between the relevant parties). The Custodian will be entitled to appoint a successor custodian, at the expense of the Cash Deposit Bank, if the Cash Deposit Bank has failed to do so by the day falling 5 Business Days before the expiry of notice of the relevant notice period.

Proceeds on Enforcement

On enforcement of the Security over the Cash Deposit Bank Security, the Security Trustee (or an agent thereof) may, pending distribution thereof in accordance with the Enforcement Order of Priority, place such cash proceeds on deposit in the name or under the control of the Security Trustee with any financial institution with the Cash Deposit Bank Required Rating

Governing Law

The Cash Deposit Bank Security Agreement and the Custody Agreement and all non-contractual obligations arising out of or in connection with such agreements are governed by, and shall be construed in accordance with, English law.

ISSUER ACCOUNT BANK AGREEMENT

The following descriptions consist of summaries of certain of the provisions of the Issuer Account Bank Agreement to be entered into on the Closing Date and are qualified by reference to the provisions of the Issuer Account Bank Agreement. The following summary does not purport to be complete and prospective investors must refer to the Issuer Account Bank Agreement for detailed information.

The Issuer Account Bank will provide certain banking services to, and establish and operate the Interest Collections Account on behalf of the Issuer in accordance with the terms of the Issuer Account Bank Agreement.

Deposit of Funds into the Interest Collections Account

Pursuant to the Credit Default Swap, each payment by the Swap Counterparty of Swap Premium will be paid into the Interest Collections Account.

Any due but unpaid Swap Premium and any other amounts due and payable under the provisions of the Swap Confirmation but unpaid (or that would have become due and payable on or prior to the Early Termination Date but for Section 2(a)(iii) of the Swap Agreement) and interest (pursuant to Section 9(h)(ii) of the Swap Agreement), if any, on such amounts will be credited to the Interest Collections Account.

Withdrawal from the Interest Collections Account

Unless all Secured Obligations of the Issuer shall have been discharged in full, neither the Issuer nor the Transaction Administrator shall, without the consent of the Security Trustee, be entitled to withdraw the monies standing to the credit of the Interest Collections Account or any part thereof and the Issuer Account Bank shall not be under any obligation to release any balance standing to the credit of the Interest Collections Account unless and to the extent that its withdrawal is to make payments anticipated under the Security Trust Deed or the Issuer Account Bank Agreement.

If the directions to withdraw funds to make payments are received by the Issuer Account Bank before 11.00 a.m. London time 2 Business Days prior to the date on which the payment is to be made, the Issuer Account Bank shall if so directed comply with such directions by no later than 10.00 a.m. London time on the date falling 2 Business Days after receipt of such direction. With respect to directions received at or after 11.00 a.m. London time on any Business Day or on a day which is not a Business Day, such directive shall be deemed to have been received at 9:00 a.m. London time on the immediately following Business Day and the preceding sentence shall apply accordingly.

Interest on Interest Collections Account

Interest may accrue on the credit balance of the Interest Collections Account for each Interest Period from and including the Closing Date up to but excluding the Final Maturity Date, at a rate of interest agreed from time to time between the Issuer, the Issuer Account Bank and the Swap Counterparty and will be credited to the Interest Collections Account in arrear on each Note Payment Date, provided that, to the extent that the European Central Bank or the central bank or monetary authority of any country applies a negative rate of interest on bank deposits held with such central bank or monetary authority and such negative interest rate from time to time results in the Issuer Account Bank or any parent, subsidiary or affiliate of the Issuer Account Bank incurring costs or expenses as a result of maintaining one or more accounts in any relevant currency on behalf of the Issuer, the Issuer shall reimburse the Issuer Account Bank in an amount equal to such additional costs or expenses.

Termination of the Issuer Account Bank Agreement and replacement of Issuer Account Bank

Termination by Issuer Account Bank

The Issuer Account Bank Agreement may be terminated by the Issuer Account Bank upon the expiry of not less than 45 calendar days' written notice of termination, without assigning any reason therefor, given by the Issuer Account Bank to the Issuer, subject to and in accordance with the general termination provisions of the Issuer Account Bank Agreement described below.

Termination by Issuer

Pursuant to the Issuer Account Bank Agreement, the Issuer agrees that if directed by the Swap Counterparty, it shall terminate the Issuer Account Bank Agreement and appoint a new entity as Issuer Account Bank in accordance with the terms of the Issuer Account Bank Agreement.

The Issuer Account Bank Agreement may be terminated by the Issuer upon the expiry of not less than 45 calendar days' written notice of such termination given by the Issuer to the Issuer Account Bank and the Transaction Administrator, subject to and in accordance with the general termination provisions of the Issuer Account Bank Agreement described below.

In addition, the Issuer shall also terminate the Issuer Account Bank Agreement by not less than 5 Business Days' prior written notice to the Issuer Account Bank in the event that:

- (a) the Issuer Account Bank becomes incapable of acting or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or a substantial part of its property, or if an administrator, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed, or if an order of any court is entered approving any petition filed by it or against it under the provisions of any applicable bankruptcy or insolvency law; or
- (b) the Issuer Account Bank delivers to the Issuer an opinion of independent legal advisers of recognised standing to the effect that the Issuer Account Bank will be required to deduct or withhold an amount on account of Tax from any amount payable to the Issuer in respect of the Interest Collection Account.

General conditions relating to termination of the Issuer Account Bank Agreement

Termination of the Issuer Account Bank Agreement will only take effect upon (and the Issuer Account Bank will not be released from its obligations until) the satisfaction of the following conditions:

- (a) the party delivering the termination notice delivers such notice to the Issuer Account Bank or the Issuer, as the case may be;
- (b) the Security Trustee (acting on the instructions of the Note Trustee) and the Swap Counterparty consent in writing to such termination; and
- (c) the appointment by the Issuer of a suitably experienced substitute issuer account bank (selected by the Swap Counterparty) **provided that:** (1) such appointment is approved in writing by the Security Trustee (acting on the instructions of the Note Trustee) and the Swap Counterparty and is effective not later than the termination of the Issuer Account Bank Agreement; and (2) such substitute bank has entered into an agreement with the Issuer, the Transaction Administrator and the Security Trustee substantially on the terms of the Issuer Account Bank Agreement (and at the same time thereof, the Issuer shall grant security over its interest in such agreement and any accounts created thereunder in favour of the Security Trustee) and **provided further that** if by the relevant cut-off time as provided in the Issuer Account Bank Agreement a substitute issuer account bank has not been appointed then the Issuer Account Bank may itself appoint as its successor any reputable bank or financial institution, with the written approval of the Issuer, the Security Trustee (acting on the instructions of the Note Trustee) and the Swap Counterparty.

The party delivering the termination notice is also required to provide the Transaction Administrator, the Security Trustee and the Swap Counterparty with a copy of the termination notice at the same time such notice is delivered to the Issuer Account Bank or the Issuer, as the case may be.

A failure on the part of the Issuer to replace the Issuer Account Bank following the occurrence of the events described above, would constitute an Event of Default with respect to the Notes, if such failure is, in the sole opinion of the Note Trustee (1) materially prejudicial to the interests of the Noteholders and (2) incapable of remedy or, if capable of remedy, continues unremedied for a period of 30 calendar days following the delivery by the Note Trustee of written notice thereof to the Issuer. If the above Event of Default occurs then the Note Trustee may, at any time, and shall, if so directed in writing by the holders of at least 25 per cent. of the Adjusted Principal Balance of the Notes then outstanding or if so directed by

an Extraordinary Resolution of the Noteholders, and subject to being indemnified and/or secured and/or prefunded to its satisfaction, deliver a Note Enforcement Notice to the Issuer declaring the Notes to be immediately due and payable.

Governing law

The Issuer Account Bank Agreement and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

SECURITY TRUSTEE, NOTE TRUSTEE AND AGENTS

The following descriptions consist of summaries of certain of the provisions of the Security Trust Deed, the Note Trust Deed and the Agency Agreement, all of which are to be entered into on the Closing Date, and are qualified by reference to the provisions of the Security Trust Deed, the Note Trust Deed and the Agency Agreement, as appropriate. The following summary does not purport to be complete and prospective investors must refer to the Security Trust Deed, the Note Trust Deed and the Agency Agreement, as appropriate, for detailed information.

Note Trustee

Deutsche Trustee Company Limited will act as note trustee (in such capacity, the "**Note Trustee**") of the Notes on behalf of the Noteholders under the Note Trust Deed to be dated on or about 23 December. The Note Trustee may resign upon not less than 60 calendar days' notice in writing to the Issuer and the Transaction Administrator, **provided that** no resignation shall be effective unless there remains a trustee thereof (being a trust corporation) in office after such retirement or until a successor note trustee has been appointed. Upon such notice, the Issuer will appoint a successor note trustee who must be approved in writing by (i) an Extraordinary Resolution of the Noteholders and (ii) the Swap Counterparty.

The Note Trust Deed provides that the Note Trustee's appointment may be terminated if at any time the Note Trustee becomes, among other things, incapable of acting, or, is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or any substantial part of its property, or if an administrator, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed. The Swap Counterparty and the Noteholders will together (but not separately) have the power (in the case of the Noteholders, exercisable by an Extraordinary Resolution of the Noteholders) to direct the Issuer to remove the Note Trustee or any successor note trustee, **provided that** no removal shall be effective unless there remains a note trustee (being a trust corporation) in office after such removal or a successor note trustee shall have been appointed.

Security Trustee

Deutsche Trustee Company Limited will act as security trustee (in such capacity, the "**Security Trustee**") of the security granted by the Issuer under the Security Trust Deed to be on or about 23 December on behalf of itself, the Noteholders and the other Secured Parties. The Security Trustee may resign upon not less than 60 calendar days' notice in writing to the Issuer and the Secured Parties, **provided that** no resignation shall be effective unless there remains a trustee thereof (being a trust corporation) in office after such retirement or until a successor security trustee has been appointed. Upon such notice, the Issuer will appoint a successor security trustee who must be approved in writing by (i) an Extraordinary Resolution of the Noteholders and (ii) the Swap Counterparty.

The Security Trust Deed provides that the Security Trustee's appointment may be terminated if at any time the Security Trustee becomes, among other things, incapable of acting, or, is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or any substantial part of its property, or if an administrator, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed. The Swap Counterparty and the Noteholders will together (but not separately) have the power (in the case of the Noteholders, exercisable by an Extraordinary Resolution of the Noteholders) to direct the Issuer to remove the Security Trustee or any successor security trustee. No removal of any Security Trustee shall become effective unless there remains a security trustee thereof (being a trust corporation) in office after such removal or a successor security trustee shall have been appointed.

Trustees generally

Indemnity

The Note Trustee and the Security Trustee will be indemnified by the Issuer against all Liabilities incurred by it arising out of its appointment as Note Trustee under the Note Trust Deed and/or its appointment as Security Trustee under the Security Documents, as the case may be, except for any

liability which by virtue of any rule of law would otherwise attach to it as a direct result of any gross negligence, wilful default or fraud of which the Note Trustee or the Security Trustee (as the case may be) may be guilty in relation to its duties under the Note Trust Deed or the Security Documents (as the case may be).

Pursuant to the Security Trust Deed, the Swap Counterparty has agreed to indemnify and/or secure and/or prefund the Security Trustee and the Note Trustee, respectively, and each of their respective officers, directors, employees and agents or any person appointed by it (including, in the case of the Security Trustee, a Receiver) to whom any trust, power, authority or discretion may be delegated (each, a "**Relevant Party**"), for any Exceptional Expenses properly incurred in connection with, on, or after the occurrence of an Event of Default or the Security Enforcement Date by the Security Trustee, the Note Trustee or such Relevant Party.

Entry into transactions

The Note Trustee and the Security Trustee may enter into any transactions in the ordinary course of business with, among others, the Issuer and any other party to the Transaction Documents and shall not be accountable to, among others, the Noteholders, the Issuer, or any other party to the Transaction Documents for, among other things, any profit arising or resulting from any such contracts or transactions.

Limitation for Negligence

Neither the Note Trustee nor the Security Trustee will be liable for any Liabilities suffered, sustained or incurred by the Issuer or any Noteholder at any time as a consequence of any action taken, or omission, in good faith in accordance with the Note Trust Deed or the Security Documents, as the case may be, unless caused directly by the Note Trustee's or the Security Trustee's, as the case may be, own gross negligence, wilful default or fraud.

As more fully set out in the Security Trust Deed, the Security Trustee shall not be:

- (a) under any obligation to insure any of the Security or any deeds or documents of title or other evidence in respect of the Security or to require any other person to maintain any such insurance or monitor the adequacy of any such insurance and shall not be responsible for any Liability which may be suffered as a result of the lack of or inadequacy of any such insurance and is not liable with respect to any loss, theft or reduction in value with respect to the Charged Assets;
- (b) liable to any Secured Party or other person for any failure to make or to cause to be made on its behalf the searches, investigations and enquiries which would normally be made by a prudent chargee in relation to the Charged Assets and shall not be responsible for any claim arising from the fact that any of the Charged Assets are held in safe custody by any Custodian or held in a clearing system.

As more fully set out in the Security Trust Deed and the Note Trust Deed, the Note Trustee and the Security Trustee shall not be:

- (a) responsible for:
 - (i) any recitals, statements, representations, warranties of any person contained in the Note Trust Deed, the Notes, any other Transaction Document or any document relating to the Security or other documents entered into in connection therewith;
 - (ii) the validity or sufficiency of either the whole or any part of the Note Trust Deed or the other Transaction Documents;
 - (iii) the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of the Note Trust Deed or the other Transaction Documents or any document relating thereto or any Security constituted thereby; or
 - (iv) the accuracy and/or completeness of any information supplied to it by the Issuer or any other person in connection with, or for the legality, validity, effectiveness, adequacy or enforceability of any documents, certificates, reports and accounts relating thereto or the

nature, status, creditworthiness or solvency of the Issuer or any other party to any of the Transaction Documents and shall not (save as otherwise provided in the Note Trust Deed or, as the case may be, the Security Documents) be liable or responsible for any losses to any person, howsoever caused, as a result of taking or omitting to take any action whatsoever in relation to any such documents, or otherwise;

- (b) obliged to monitor or supervise the functions of any other person under the Note Trust Deed, or as the case may be, the Security Trust Deed, or any other Transaction Document and each of the Note Trustee and the Security Trustee shall be entitled, in the absence of express notice of a breach of obligation, to assume that each other such person is properly performing its obligations; or
- (c) under any obligation to monitor, verify or make any determination or have any Liability to any Noteholder, or as the case may be, any Secured Party, or other person with respect to the Credit Default Swap, any list of Reference Entities in respect thereof, the occurrence or type of any Credit Event, any amount determined pursuant to any valuation procedure thereunder, or any Cash Settlement Amount payable thereunder.

Remuneration

For its services rendered as note trustee and security trustee under the Note Trust Deed and the Security Documents respectively, the Issuer will pay the Note Trustee and the Security Trustee the fees agreed between the Issuer, the Swap Counterparty and the Note Trustee and the Security Trustee, respectively.

The Agents

The Notes are subject to the Agency Agreement. References herein to the "**Agents**" are to the Principal Paying Agent, the other Paying Agents, the Registrar and the Notes Calculation Agent and any reference to an "**Agent**" is to any one of them.

The Issuer may, with the prior written consent of the Note Trustee and upon at least 30 calendar days' prior written notice, terminate the appointment of any Agent. In certain circumstances, the Issuer may also, with the prior written consent of the Note Trustee, terminate the appointment of any Agent (subject to the appointment of a replacement Agent) immediately upon notice. An Agent may resign upon at least 60 calendar days' prior written notice to the Issuer, the Transaction Administrator, the Note Trustee and the Security Trustee and, except in the case of the resignation of the Principal Paying Agent, the Principal Paying Agent. Notwithstanding the foregoing, any resignation by, or termination of the appointment of, any Agent will not be effective until a successor Principal Paying Agent, Registrar or Notes Calculation Agent, as the case may be, has been appointed in accordance with the terms of the Agency Agreement.

Upon receipt of notice of the resignation of an Agent, the Issuer will, with the prior approval of the Note Trustee, appoint a successor paying agent, registrar, swap calculation agent or notes calculation agent, as the case may be. If, on the 30th calendar day prior to the expiry of any notice of resignation given by an Agent, no successor has been appointed, such Agent may itself, with the prior written approval of the Issuer and the Note Trustee, appoint a successor.

Each Agent and the directors, officers, employees and controlling persons of such Agent will be indemnified by the Issuer against any losses, liabilities, costs, claims, actions, damages, losses, expenses or demands incurred by any of them, other than by reason of the gross negligence, wilful default or fraud arising out of or in connection with the exercise or performance of any of the powers or duties of such persons under the Agency Agreement.

Each Agent will indemnify the Issuer or its directors, officers employees and controlling persons against any losses, liabilities, costs, claims, actions, damages, losses, expenses or demands (other than any consequential losses or damages in connection therewith or by reason of a force majeure event as set out in the Agency Agreement) caused directly by such Agent's own gross negligence, wilful default or fraud.

For the services of the Agents rendered under the Agency Agreement, the Issuer will pay to the Principal Paying Agent the fees as agreed between the Issuer and the Principal Paying Agent.

Trustees and Agents

As described above, Deutsche Trustee Company Limited is acting as Note Trustee and as Security Trustee, BOI is acting as Swap Calculation Agent, Deutsche Bank AG, London Branch is acting as Principal Paying Agent, Notes Calculation Agent and Transaction Administrator, Deutsche Bank Luxembourg S.A. is acting as Registrar and Arthur Cox Listing Services Limited is acting as Listing Agent. Each of BOI, Deutsche Trustee Company Limited, Deutsche Bank AG, Deutsche Bank Luxembourg S.A., and their respective affiliates, in providing services in connection with the transactions contemplated by the Transaction Documents, shall have only the duties and responsibilities expressly agreed to by such entity in the relevant capacity and shall not, by virtue of its or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities, or be deemed to be held to a standard of care, other than as expressly provided with respect to each such capacity. BOI, Deutsche Trustee Company Limited, Deutsche Bank AG, Deutsche Bank Luxembourg S.A., and their respective affiliates, in their various capacities, in connection with the transactions contemplated by the Transaction Documents, may enter into business dealings, including the acquisition of investment securities, as contemplated by the Transaction Documents, from which they may derive revenues and profits in addition to the fees stated in the various Transaction Documents, without any duty to account therefor.

Governing law

Each of the Note Trust Deed, the Security Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND

General

BOI is, directly or indirectly, the parent of a group of subsidiary companies operating in the financial services sector. BOI is not aware of any person or persons who does or could, directly or indirectly, jointly or severally, own BOI.

BOI was established as a chartered corporation by an Act of the Irish Parliament of 1781/2 and by a Royal Charter of King George III in 1783. The Bank and its subsidiaries (the "**Group**") is one of the largest financial services groups in Ireland with total assets of €131 billion at 31 December 2015. The address of the registered office of BOI is 40 Mespil Road, Dublin 4, Ireland.

The ordinary stock of BOI has a primary listing on the Main Securities Market of the Irish Stock Exchange (which is a regulated market for the purposes of MiFID) and a premium listing on the London Stock Exchange.

The Group provides a broad range of banking and other financial services. These services include: current account and deposit services, overdrafts, term loans, mortgages, business and corporate lending, international asset financing, leasing, instalment credit, invoice discounting, foreign exchange facilities, interest and exchange rate hedging instruments, life assurance, pension and protection products. All of these services are provided by the Group in Ireland with selected services being offered in the UK and internationally. The Group generates the majority of its revenue from traditional lending and deposit taking activities as well as fees for a range of banking and transaction services. The Group operates an extensive distribution network of 257 branches and over 1,600 ATMs in the Republic of Ireland and access to approximately 11,600 branches and over 2,600 ATMs in the UK via the Group's relationship as financial services partner with the UK Post Office. The Group also has access to distribution in the UK via its partnership with the AA and also through a number of strategic intermediary relationships.

The Group is organised into four trading divisions to effectively service its customers as follows: Retail Ireland, Bank of Ireland Life, Retail UK and Corporate & Treasury.

The Group's central functions, through Group Centre, establish and oversee policies and provide and manage certain processes and delivery platforms for divisions. These Group central functions comprise Group Manufacturing, Group Finance, Group Credit & Market Risk, Group Governance Risk and Group Human Resources.

Operating Segments

The Group has five reportable operating segments which reflect the internal financial and management reporting structure and are organised as follows:

Retail Ireland

Retail Ireland is managed through a number of business units namely Distribution Channels, Consumer Banking (including Bank of Ireland Mortgage Bank), Business Banking (including Bank of Ireland Finance) and Customer and Wealth Management.

Bank of Ireland Life

Bank of Ireland Life (which includes the Group's life assurance subsidiary, New Ireland Assurance Company plc) distributes protection, investment and pension products to the Irish market through independent brokers, its financial advisors (direct sales force) and the Group's branch network.

Retail UK

The Retail UK division incorporates the financial services relationship and foreign exchange joint venture with the UK Post Office, the financial services partnership with the AA, the UK residential mortgage business, the Group's branch network in Northern Ireland (NI) and the Group's business banking business in NI and the Northridge motor and asset finance business. The Group also has a business banking business in Great Britain (GB) which is being run-down. The Retail UK division includes the activities of Bank of Ireland (UK) plc, the Group's wholly owned UK licensed banking subsidiary.

Corporate and Treasury

The Corporate and Treasury division comprises Corporate Banking, Global Markets and IBI Corporate Finance. It also includes the Group's euro liquid asset bond portfolio.

Group Centre

Group Centre comprises capital and other management activities, unallocated Group support costs and the cost associated with schemes such as the Eligible Liabilities Guarantee Scheme, the newly established EU Single Resolution Fund, the Deposit Guarantee Scheme fund, the Irish bank levy and the UK Financial Services Compensation Scheme.

Capital Stock

The following table sets out the consolidated capital stock of the Group in issue as at 31 December 2015.

Consolidated Capital Stock of the Group	As at 31 December 2015
Authorised	
Eur€	<i>€m</i>
90 billion units of ordinary stock of €0.05 each	4,500
228 billion units of deferred stock of €0.01 each	2,280
100 million units of non-cumulative preference stock of €1.27 each	127
100 million units of undesignated preference stock of €0.25 each	25
3.5 billion units of non-cumulative 2009 preference stock of €0.01 each	35
Stg£	<i>£m</i>
100 million units of non-cumulative preference stock of Stg£1 each	100
100 million units of undesignated preference stock of Stg£0.25 each	25
US\$	<i>\$m</i>
8 million units of non-cumulative preference stock of US\$25 each	200
100 million units of undesignated preference stock of US\$0.25 each	25
	As at 31 December 2015
Allotted and fully paid	<i>€m</i>
32.346 billion units of €0.05 ordinary stock	1,616
91.981 billion units of €0.01 deferred stock	920
39.584 million units of €0.05 treasury stock	2
1.9 million units of non-cumulative preference stock of Stg£1 each	3
3.0 million units of non-cumulative preference stock of €1.27 each	4
1.3 billion units of non-cumulative 2009 preference stock of €0.01 each	13
	2,558

On 4 January 2016, the Group completed the redemption of the 2009 preference stock thereby reducing the allotted and fully paid-up capital stock of the Group by € 13million as at that date.

Court of Directors

The business address of the Court of Directors (the "**Court**") is Bank of Ireland, 40 Mespil Road, Dublin 4, Ireland.

Name	Function within the Group	Principal Outside Activities
Archie G. Kane	Governor	Trustee of the Stratford Literary Festival and member of TheCityUK Advisory Council
Richie Boucher	Group Chief Executive Officer, Executive Director	Director of Ibec CLG

<i>Name</i>	<i>Function within the Group</i>	<i>Principal Outside Activities</i>
Kent Atkinson*	Non-executive Director	None
Pat Butler	Non-executive Director	Non-executive Director of Hikma Pharmaceuticals plc, where he is Chairman of the Audit Committee and a member of the Nomination and Compliance, Responsibility and Ethics Committees. Governor of the British Film Institute. Non-executive Director of The Resolution Foundation and Res Media Limited. Director of TIG Topco Limited.
Tom Considine*	Non-executive Director	Trustee of RTE Defined Benefit Pension Scheme
Patrick Haren*	Non-executive Director, Senior Independent Director	Advisory role to Green Sword Environmental Ltd
Andrew Keating	Group Chief Financial Officer Executive Director	Director of the Irish Management Institute CLG
Patrick Kennedy*	Deputy Governor, Non-executive Director	Chairman of Cartrawler
Davida Marston*	Non-executive Director	Non-executive Director of Liberbank S.A. where she is Chair of the Nomination Committee and a member of the Remuneration Committee
Bradley Martin	Non-executive Director	Chairman of Resolute Forest Products Inc. Non-executive Director of Eurobank Ergasias SA., where he is Chairman of the Nomination and Remuneration Committees and a member of the Audit and Risk Committees. Non-executive Director of Blue Ant Media Inc.
Fiona Muldoon	Non-executive Director	Group Chief Executive of FBD Holdings plc and Chief Executive of FBD Insurance plc. Director of Insurance Ireland (Member Association) Company Limited by Guarantee.
Patrick Mulvihill*	Non-executive Director	Non-executive Director of International Fund Services (Ireland) Limited. Director of Beachvista Limited and Glenstal Abbey School Limited Member of the Board of Governors and Chairman of the Finance Committee of Glenstal Abbey School.

* Audit committee member

Corporate Governance

A key objective of the Group's governance framework is to ensure compliance with applicable legal and regulatory requirements. BOI is subject to the Central Bank's Corporate Governance Requirements for Credit Institutions 2015 (the "**Irish Code**" which is available on www.centralbank.ie), with effect from 11 January 2016. It is also subject to the additional requirements of Appendix 1 and Appendix 2 of the Irish Code for High Impact Designated Institutions, and Credit Institutions which are deemed 'Significant' Institutions (for the purposes of the Capital Requirements Directive ("**CRD IV**")), respectively. BOI is also subject to the UK Corporate Governance Code 2016 (the "**UK Code**" published by the Financial Reporting Council in the UK, which is available on www.frc.org.uk) and the Irish Corporate Governance Annex to the Listing Rules of the Irish Stock Exchange (the "**Irish Annex**" which is available on www.ise.ie).

The Directors believe that BOI complied with the provisions of the Irish Code throughout 2015. The Directors also believe that BOI complied with the provisions of the UK Code, and the Irish Annex, throughout 2015 otherwise than as set out below:

- Tom Considine's membership of the Group Audit Committee. As this Director was nominated by the Minister for Finance under the terms of the Credit Institutions (Financial Support) Scheme, 2008 and is not required to stand for election or regular re-election by stockholders, he is not classified as an independent Non-executive Director. The Group Audit Committee continues to benefit from the judgement and the quality of the contributions of Tom Considine and comprises a minimum of three independent Non-executive Directors as per provision C.3.1 of the UK Code; and
- provision B.7.1 of the UK Code recommends annual election of directors by stockholders. In accordance with the Bye-Laws of BOI, Tom Considine is not required to put himself up for re-election on an annual basis and accordingly was not submitted for re-election at the Annual General Court held in 2016. The requirement for him to stand for re-election is dispensed with for as long as he remains a Government Appointee in accordance with the Bye-Laws of BOI.

In 2016 the Group completed a review of the on-going fitness and probity of persons in 'pre-approval controlled functions' whereby Directors were asked to confirm any changes in circumstances in respect of their compliance with the Fitness and Probity Standards issued by the Central Bank of Ireland (the "**Standards**"). All changes in circumstance disclosed were assessed and their materiality determined. Time commitments of Directors were considered as part of this review process and Directors confirmed that they continue to have sufficient time to perform their roles. The Court concluded that each of the Directors of the Court has the requisite standard of fitness, probity and financial soundness to perform their functions with reference to the Standards and provided the required confirmation to that effect to the Central Bank.

The Group believes it has robust governance arrangements, which include a clear organisational structure with well defined, transparent and consistent lines of responsibility, effective processes to identify, manage, monitor and report the risks to which it is or might be exposed and appropriate internal control mechanisms, including sound administrative and accounting procedures, IT systems and controls. The system of governance is subject to regular internal review.

Group Audit Committee (the "**GAC**")

At the date of this Prospectus, the GAC comprised six Non-executive Directors. The Court believes that the GAC members' collective skills and recent and relevant financial experience enable them to discharge their responsibilities. In close liaison with the Court Risk Committee, the GAC has responsibility for:

- the appropriateness and completeness of the system of internal control; and
- reviewing the manner and framework in which management ensures and monitors the adequacy of the nature, extent and effectiveness of internal control systems, including accounting control systems, thereby maintaining an effective system of internal control.

In addition, the GAC has responsibility for:

- monitoring the integrity of the financial statements and assisting the Court in meeting its obligations under relevant Stock Exchange listing rules and under other applicable laws and regulations;
- overseeing all matters relating to the relationship between the Group and the External Auditors;
- monitoring and reviewing the effectiveness of the Group's Internal Audit function and its operations;
- discharging the statutory responsibility of BOI under the Companies Act 2014 of Ireland (as amended) (the "**Companies Act 2014**") and other statutes or regulations; and
- overseeing compliance with current and future Government requirements associated with their support for BOI.

It has developed and implemented a Group policy on the provision of non-audit services by the external auditors in order to ensure, among other things, that auditor objectivity and independence are not compromised. In this regard, a key procedural control requires that any engagement of the external auditors to provide non-audit services must be pre-approved by the GAC, which also receives reports on the performance of such services.

TAXATION OF NOTEHOLDERS

United Kingdom Taxation

The following summary is relevant only to individuals holding Notes who are resident and domiciled for tax purposes in the United Kingdom, in addition to United Kingdom tax resident corporate Note holders. The application of the information set out below can vary according to individual circumstances of Note holders and is subject to change. It is intended as a guide only and not as a substitute for professional advice. It does not purport to be a complete analysis of all UK tax considerations relating to the holding of Notes, nor does it constitute legal or tax advice. Prospective Note holders should therefore consult their own professional advisers as to the overall legal and tax implications of subscribing for, purchasing, holding, switching or disposing of Notes under the laws of any jurisdiction in which they may be subject to tax.

The summary relates primarily to payments of principal and interest in respect of the Notes and is not intended to be exhaustive. In particular it does not address the treatment of Individual Noteholders who sell their Notes on the open market prior to the Redemption date. The summary relates only to the position of persons who are the absolute beneficial owners of their Notes and does not address the tax consequences for non-United Kingdom resident persons who hold the shares in connection with a trade, profession or vocation carried on in the United Kingdom (whether through a branch, agency or permanent establishment). In addition, the summary only addresses the tax consequences for United Kingdom Note holders holding Notes as an investment and not as trading stock. It does not deal with the position of individuals who are United Kingdom resident but non United Kingdom domiciled.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time of an investment in the Notes is made will endure indefinitely. The statements below are based on current United Kingdom tax legislation, together with HM Revenue & Customs ("HMRC") practice, which are subject to change at any time, possibly with retrospective effect.

UK withholding tax

Payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax unless such interest is regarded as having a United Kingdom "source" for United Kingdom tax purposes. In the case of interest on Notes which is regarded as having a United Kingdom source, payments of interest on the Notes may nonetheless be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes continue to be listed on a "recognised stock exchange" within the meaning of Section 1005 of the Income Tax Act 2007. The Irish Stock Exchange is a recognised stock exchange. The Notes will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Irish Stock Exchange. Provided, therefore, that the Notes remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax. If the Notes cease to be so listed, other exemptions from that tax (including under any applicable double taxation treaty) may, depending on the circumstances, be available, but this would need to be assessed based on the relevant law at that time.

Persons in the United Kingdom paying interest to or receiving interest on behalf of another person who is an individual may be required to provide certain information to HM Revenue & Customs regarding the identity of the payee or person entitled to the interest and, in certain circumstances, such information may be exchanged with tax authorities in other countries.

This summary of the United Kingdom withholding tax position assumes that there will be no substitution of an issuer pursuant to Condition 16 of the Notes or otherwise and does not consider the tax consequences of any such substitution.

Irish Taxation

The following is a summary based on the laws and practices currently in force in Ireland of certain matters regarding the tax position of investors who are the absolute beneficial owners of their Notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding Notes including dealers in securities and trusts. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should

consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Withholding tax

In general, withholding tax at the standard rate must be deducted from payments of yearly interest made by an Irish tax resident company. However, the Notes will qualify for an exemption from withholding tax in respect of interest payments in accordance with section 64 of the Taxes Consolidation Act 1997, known as the "quoted Eurobond exemption". This is based on certain assumptions, including that the Notes: (a) are issued by a company; (b) are quoted on a recognised stock exchange (the Irish Stock Exchange is so recognised); (c) carry a right to interest; and (d) are held in a "recognised clearing system" as defined in Irish tax legislation (Euroclear and Clearstream Luxembourg have been so recognised).

Income tax

Interest payments made in respect to the Notes will have an Irish source and, whether or not paid gross of withholding tax, are chargeable to Irish income tax by way of self assessment. There are a number of potential exemptions from this charge to Irish income tax including as follows:

A person who is not resident in Ireland will be exempt from Irish income tax where there is no withholding tax or deduction from the interest by virtue of the quoted Eurobond exemption detailed above and the person is resident in a Member State of the EU other than Ireland or a country with which Ireland has a double tax treaty (a "**Relevant Territory**") provided the person does not carry on a trade in Ireland through a branch or agency to which this interest is attributable.

An exemption from Irish income tax will apply where the interest is paid on quoted Eurobonds either (i) to a company which is under the control, whether directly or indirectly, of persons(s) who, by virtue of the laws of a Relevant Territory, are resident for the purposes of tax in that jurisdiction and are not under the control of persons(s) who are not resident in a Relevant Territory or (ii) to a company or a 75 per cent. subsidiary of a company or companies, the principal class of shares in which is substantially and regularly traded on a recognised stock exchange.

An exemption from Irish income tax will apply so long as the Issuer is a qualifying company for the purposes of section 110 of the Taxes Consolidation Act 1997, the recipient is not resident in Ireland and is resident in a Relevant Territory and, the interest is paid out of the assets of the Issuer.

A company which is not resident in Ireland and is resident either in a Member State of the EU or in a country with which Ireland has a double taxation treaty which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory will be exempt from Irish income tax on any interest received under the Notes provided it does not carry on a trade in Ireland through a branch or agency to which this interest is attributable.

An exemption from Irish income tax may also be available under the terms of an applicable double taxation treaty to certain persons entitled to the benefits of such a treaty.

Where a Noteholder cannot avail of these exemptions, the Noteholder will be chargeable to Irish income tax by direct assessment. However, as a matter of practice, the Irish authorities do not pursue collection of any such liability to Irish tax from persons who are not resident in Ireland except where such persons:

- (i) receive payments of interest through a person (including a trustee) or in the name of an agent or branch in Ireland having the management and control of the interest;
- (ii) seek to claim relief and/or repayment of tax deducted at source in respect of taxed income from Irish sources; or
- (iii) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

This practice does not reflect a policy on the part of the Irish Revenue not to collect the tax and there is no guarantee that this practice will continue.

Encashment Tax

Notes which are considered quoted Eurobonds within the meaning of section 64 of the Taxes Consolidation Act 1997 can fall within the scope of Irish encashment tax in certain circumstances. A non-Irish paying agent should not be obliged to deduct Irish encashment tax.

Irish Deposit Interest Retention Tax

Deposit interest retention tax applies to "relevant deposit takers" as defined under section 256 of the Taxes Consolidation Act 1997.

The Issuer would not be regarded as a relevant deposit taker on the basis that it is not the holder of a licence granted under section 9 of the Central Bank Act 1971, and has not received any similar authorisation under the law of any other Member State of the EU. On this basis, interest on the Notes will not be liable to deposit interest retention tax.

Irish Corporation Tax

The Issuer will be considered a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997 on the assumption that it meets the relevant conditions, including:

- (a) the Issuer is resident in Ireland;
- (b) the Issuer acquires, holds or manages qualifying assets or has entered into an arrangement which qualifies as a qualifying asset and carries on no other activities. The deposit with the Cash Deposit Bank and the Credit Default Swap are within the definition of qualifying assets;
- (c) the value of qualifying assets is not less than €10,000,000 when first acquired;
- (d) the Issuer has notified the Revenue Commissioners in prescribed form that it is a company within section 110 of the Taxes Consolidation Act 1997; and
- (e) transactions entered into by the Issuer, with some exceptions, are made at arm's length.

On this basis, the Issuer will be taxable in accordance with the provisions of section 110 of the Taxes Consolidation Act 1997.

Certain activities carried on by a qualifying company can be regarded as a specific property business which is regarded as a separate business for the purposes of section 110 of the Taxes Consolidation Act 1997. The Issuer does not expect to carry on a specified property business.

Irish Stamp Duty

For as long as the Issuer is a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997, no Irish stamp duty will be payable on either the issue or transfer of the Notes, provided that the money raised by the issue of the Notes is used in the course of the Issuer's business.

Irish Capital Gains Tax

A Noteholder who is resident or ordinarily resident in Ireland for Irish tax purposes may be subject to Irish capital gains tax at a rate of 33 per cent. on any gain realised on disposal or redemption of the Notes.

A Noteholder who is neither resident nor ordinarily resident in Ireland for Irish tax purposes is not subject to Irish capital gains tax unless the Notes:

- (a) are situated in Ireland and have been used in or for the purposes of a trade carried on by such a person in Ireland through a branch or agency or acquired for use by or for the purposes of the branch or agency; or
- (b) are not quoted on a stock exchange and derive their value or the greater part of their value from land, minerals, mineral rights or exploration rights in Ireland.

Irish Capital Acquisitions Tax

A gift or inheritance of the Notes may give rise to a liability to Irish capital acquisitions tax in the hands of the donee or successor if either the Notes which are the subject of the disposition are considered situate in Ireland or if either the disponent or donee/successor are resident or ordinarily resident in Ireland.

Automatic exchange of information

Irish reporting financial institutions, which may include the Issuer, may have reporting obligations in respect of a Note holder under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

The proposed Financial Transactions Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

A joint statement issued in May 2014 by ten of the eleven participating Member States indicated an intention to implement the FTT progressively, such that it would initially apply to shares and certain derivatives. The FTT, as initially implemented on this basis, may not apply to dealings in Notes.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

The Foreign Account Tax Compliance Act

FATCA imposes a reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "**United States Account**" of the Issuer (a "**Recalcitrant Holder**"). The Issuer may be classified as an FFI.

The withholding regime is currently in effect for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "grandfathering date", which is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an IGA). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a

"Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being FATCA Withholding") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the Republic of Ireland have entered into an agreement (the "**Irish IGA**") based on the Model 1 IGA.

If the Issuer is treated as a Reporting FI pursuant to the Irish IGA, it does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI or a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

While the Notes are in global form and held within the clearing systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the common safekeeper, given that each of the entities in the payment chain between the Issuer and the participants in the clearing systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, Notes in definitive form will only be printed in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

Common Reporting Standard (CRS)

The CRS framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the Standard) was published, involving the use of two main elements, the Competent Authority Agreement (the CAA) and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (FIs) relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information, which was entered into by Ireland in its capacity as a signatory to the Convention on Mutual Administrative Assistance in Tax Matters and which relates to the automatic exchange of financial account information in respect of CRS, while sections 891F and 891G of the 1997 Act and regulations made thereunder contain measures necessary to implement the CRS internationally and across the European Union, respectively. The Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the CRS Regulations), giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Under the CRS Regulations, reporting financial institutions, which may include the Issuer, are required to collect certain information on accountholders and on certain controlling persons (as defined in the Regulations) in the case of the accountholder being an entity, as defined for CRS purposes, to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Where a Security is held in a

clearing system it is understood that either the clearing system itself or the relevant clearing participants are likely to be considered FIs and accordingly the Issuer should not have reporting obligations in respect of a Security holder holding such a Security. In that event the Issuer will make a nil return for that year to the Irish Revenue Commissioners. Further information in relation to CRS can be found on the Automatic Exchange of Information webpage on www.revenue.ie.

SUBSCRIPTION AND SALE

The following description consists of summaries of certain provisions of the Subscription Agreement to be entered into on or around the date hereof and is qualified by reference to the provisions of the Subscription Agreement. The following summary does not purport to be complete and prospective investors must refer to the Subscription Agreement for detailed information.

Pursuant to the Subscription Agreement dated on or around the date hereof, Deutsche Bank AG, London Branch and Credit Suisse Securities (Europe) Limited (the "**Joint Placement Agents**") will purchase the Notes from the Issuer at an issue price of 100 per cent. of the Initial Principal Balance. Accordingly, on the Closing Date beneficial interests in the Global Note Certificates will be transferred (in the book entry systems of the Common Depositary) to the order of the **Joint Placement Agents** against payment of the issue price in immediately available funds.

General

Each **Joint Placement Agent** acknowledges that no action has been or will be taken in any jurisdiction by the Issuer that would permit a public offering of the Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Accordingly, each **Joint Placement Agent** undertakes to the Issuer that it will, to the best of its knowledge, comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the Notes or has in its possession or distributes such offering material, in all cases at its own expense.

Each **Joint Placement Agents** agrees that it will not offer or sell any of the Notes, directly or indirectly, or distribute this Prospectus or any other offering material relating to the Notes, in or from any jurisdiction except under circumstances that will to its best knowledge and belief result in compliance with the applicable laws and regulations thereof.

Each **Joint Placement Agent** acknowledges that it is not authorised to make any representation or use any information in connection with the issue, purchase and sale of the Notes other than as contained in this Prospectus (including any amendment or supplement thereto authorised by the Issuer).

Purchasers of the Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the purchase price of the Notes.

United States

Each **Joint Placement Agent** has acknowledged that the Notes have not been and will not be registered under the Securities Act or the state securities laws of any state of the United States or the securities laws of any other jurisdiction and may not at any time be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons. The Notes may not at any time be transferred or sold to or for the account of a U.S. Person. The Notes are being offered and sold outside of the United States to non-U.S. Persons in reliance on Regulation S.

Each **Joint Placement Agent** has acknowledged and agreed that it will offer and sell the Notes only in accordance with Regulation S. Each **Joint Placement Agent** has acknowledged and agreed that it will not offer or sell any Notes to, or for the account or benefit of, any U.S. Person at any time and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Notes within the United States or to, or for the account or benefit of, any U.S. Person.

Each **Joint Placement Agent** has acknowledged and agreed that neither it nor any persons acting on its behalf have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Notes, and they have complied and will comply with the offering restrictions requirement of Regulation S.

Each purchaser of Notes offered hereby will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision. Purchasers are also deemed to have made the representations and agreements set out in "*Form of Notes*", and "*Purchase and Transfer Restrictions*".

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Joint Placement Agent has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Joint Placement Agent for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the Issuer or the Joint Placement Agents to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "**an offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Each Joint Placement Agent has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more of):

- (a) from the date of application of Regulation (EU) No. 1286/2014 (the "**PRIIPs Regulation**"), a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
- (b) from the date of application of the PRIIPs Regulation, a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or
- (c) not a qualified investor as defined in the Prospectus Directive.

United Kingdom

Each Joint Placement Agent has represented, warranted and agreed with the Issuer that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA and any applicable secondary legislation made under the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Cayman Islands

Each Joint Placement Agent has represented, warranted and agreed that it has not, directly or indirectly, and will not, directly or indirectly, make any invitation to any member of the public in the Cayman Islands, within the meaning of Section 175 of the Companies Law (2013 Revision) of the Cayman Islands, to subscribe for any Notes and this Prospectus may not be issued or passed to any such person.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia ("**Australian Corporations Act**")) in relation to any Note has been, or will be, lodged with Australian Securities and Investments Commission ("**ASIC**"). Each Joint Placement Agent has represented and agreed that it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any Prospectus or any other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternative currency, in either case, disregarding moneys lent by the offeror or its associates to the offeree) or the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a "retail client" as defined for the purposes of Section 761G or 761GA of the Australian Corporations Act;
- (iii) such action complies with any applicable laws, regulations or directives in Australia (including, without limitation, the licensing requirements under Chapter 7 of the Australian Corporations Act); and
- (iv) such action does not require any document to be lodged with ASIC.

Belgium

The Notes may not be distributed in Belgium by way of an offer of securities to the public, as defined in Article 2.1(d) of the Prospectus Directive 2003/71/EC and Article 3 §1 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets as amended from time to time (the "**Prospectus Law**"), save in those circumstances set out in Article 3 §2 of the Prospectus Law.

This Prospectus has not been submitted for approval to the Belgian Banking, Finance and Insurance Commission.

Accordingly, the offering may not be advertised and each Joint Placement Agent has represented and agreed that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes and that it has not distributed, and will not distribute, any memorandum, information circular, brochure or any similar documents, directly or indirectly, to any individual or legal entity in Belgium other than:

- (a) qualified investors, as defined in Article 10 of the Prospectus Law;
- (b) investors required to invest a minimum of €50,000 (per investor and per transaction);

and in any other circumstances set out in Article 3 §2 of the Prospectus Law.

This Prospectus has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the placement of Notes. Accordingly, the information contained herein may not be used for any other purpose nor disclosed to any other person in Belgium.

Bermuda

Each Joint Placement Agent has represented, warranted and agreed that the Notes are being offered on a private placement basis to persons who satisfy the criteria outlined in this Prospectus. Each Joint Placement Agent acknowledges that this Prospectus is not subject to and has not received approval from either the Bermuda Monetary Authority or the Registrar of Companies in Bermuda and no statement to the contrary, explicit or implicit, is authorised to be made in this regard. Each Joint Placement Agent has represented and agreed that the Notes being offered may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act 2003 of Bermuda. Additionally, non-Bermudian persons may not carry on or engage in any trade or business in or from within Bermuda unless such persons are authorised to do so under applicable Bermuda legislation. Engaging in the activity of offering or marketing the Notes being offered in Bermuda to persons in Bermuda may be deemed to be carrying on business in Bermuda.

Canada (Ontario Only)

Resale Restrictions

Each purchaser of the Notes acknowledges that the distribution of the Notes in Canada is being made only in the province of Ontario and only on a private placement basis exempt from the requirement that a prospectus is prepared and filed with the securities regulatory authorities in Ontario. Any resale of the Notes in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Notes.

China

Each Joint Placement Agent has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in China, except as permitted by the securities laws of China.

France

This Prospectus is not being distributed in the context of a public offering in France and has thus not been submitted to the Autorité des Marchés Financiers ("**AMF**") for prior approval and clearance procedure.

Each Joint Placement Agent has represented, warranted and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (b) qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

Hong Kong

Each Joint Placement Agent has represented, warranted and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "**professional investors**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "**prospectus**" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the

securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "**professional investors**" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Ireland

Each Joint Placement Agent has represented, warranted and agreed that:

- (a) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended, the "**MiFID Regulations**"), including, without limitation, Regulations 7 (Authorisation) and 152 (Restrictions on advertising) thereof, any codes of conduct made under the MiFID Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the Companies Act 2014 (as amended, the "**Companies Act**"), the Central Bank Acts 1942-2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);
- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank under Section 1363 of the Companies Act; and
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of, the Notes otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014)) and any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act.

Italy

Each Joint Placement Agent has represented, warranted and agreed that the Notes are not to be offered or sold in the Republic of Italy.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended; the "**FIEA**"). Accordingly, each Joint Placement Agent represents and agrees that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of Foreign Exchange and Foreign Trade Control Act (Law No. 228 of 1949, as amended)), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other applicable laws, regulations and ministerial guidelines of Japan.

Nigeria

This Prospectus and the Notes have not been and will not be registered with the Nigerian Securities and Exchange Commission ("**Nigerian SEC**"), or under the Nigerian Investments and Securities Act, No. 29, 2007 ("**ISA**"). Further, neither this Prospectus nor any other offering material related to the Notes may be utilised in connection with any offering to the public within Nigeria, and the Notes may not be offered, sold or transferred within Nigeria to, or for the account or benefit of, persons resident in Nigeria, except to the extent that the Notes have been registered with the Nigerian SEC and its written approval obtained in accordance with the provisions of the ISA and other Nigerian securities law. The Notes may however be offered and sold in Nigeria in certain transactions exempt from the registration requirements of the ISA. Accordingly, this Prospectus is not directed to, and the Notes are not available for subscription by, any persons within Nigeria, other than the selected investors to whom this Prospectus has been addressed as a private sale, or domestic concern, within the exemption and meaning of Section 69(2) of the ISA. Each Joint Placement Agent has agreed that, other than in accordance with the ISA and regulations made thereunder, it will not offer, sell or deliver the Notes in Nigeria as part of its distribution at any time.

Qatar

Each Joint Placement Agent has represented and agreed that it has not offered, sold or delivered and will not offer, sell, or deliver, at any time, directly or indirectly, any Notes in the State of Qatar in a manner that would constitute a public offering. This Prospectus has not been reviewed or approved by or registered with the Qatar Central Bank, the Qatar Exchange or the Qatar Financial Market Authority. The Notes have not been and will not be registered with the Qatar Exchange, the Qatar Financial Market Authority, the Qatar Central Bank or with any other authority pursuant to any laws, regulations and rules in Qatar. Each Joint Placement Agent acknowledges that the information contained in this Prospectus is not intended to lead to the conclusion of any contract of whatsoever nature within the State of Qatar.

Kingdom of Saudi Arabia

This Prospectus does not constitute an offer to persons in the Kingdom of Saudi Arabia, and may not be distributed in the Kingdom except to such persons as are permitted under the Offer of Securities Regulations issued by the Saudi Capital Markets Authority (the "CMA"). The CMA does not make any representation as to the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Prospectus. Prospective purchasers of the Notes should conduct their own due diligence on the accuracy of the information relating to the Notes. If you do not understand the contents of this Prospectus, you should consult an authorised financial adviser.

Singapore

Each Joint Placement Agent has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Placement Agent has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase, nor will it offer or sell the Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, nor has it circulated or distributed, nor will it circulate or distribute this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (b) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
- (2) where no consideration is or will be given for the transfer; or
- (3) where the transfer is by operation of law.

South Africa

Each Joint Placement Agent has represented, warranted and agreed that it will not make an "offer to the public" (as such expression is defined in the South African Companies Act, 2008 (the "**SA Companies Act**") and which expression includes any section of the public) of the Notes (whether for subscription, purchase or sale) in South Africa. Offers of the Notes by the Joint Placement Agents in South Africa may be made pursuant to section 96 of the SA Companies Act which section provides for offers that are not deemed to be "offers to the public".

This Prospectus does not, nor is it intended to, constitute a prospectus prepared and registered under the SA Companies Act.

This Prospectus does not constitute an offer to accept deposits from the "general public" in terms of the South African Banks Act, 1990 (the "**SA Banks Act**").

Further, each Joint Placement Agent has represented, warranted and agreed that it: (a) will not offer the Notes for subscription; (b) will not solicit any offers for or sale of the Notes; and (c) will itself not sell or offer the Notes in South Africa in contravention of the SA Companies Act, the SA Banks Act, the South African Exchange Control Regulations and/or any other applicable laws and regulations of South Africa in force from time to time.

Information made available in this Prospectus should not be considered as "advice" as defined in the Financial Advisory and Intermediary Services Act, 2002.

South Korea

The Notes have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Services and Capital Markets Act and its subordinate decrees and regulations (collectively, the "**FSCMA**"). The Notes may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except as otherwise permitted under the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law and its subordinate decrees and regulations (collectively, the "**FETL**"). Without prejudice to the foregoing, the number of Notes offered in Korea or to a resident in Korea shall be less than fifty and for a period of one year from the issue date of the Notes, none of the Notes may be divided resulting in an increased number of the Notes. Furthermore, the Notes may not be resold to Korean residents unless the purchaser of the Notes complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the FETL) in connection with the purchase of the Notes.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Joint Placement Agent has represented and agreed that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Each Joint Placement Agent has acknowledged that the information contained in this Prospectus does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law 8 of 1984 (as amended)) or otherwise and is not intended to be a public offer and the information contained in this Prospectus is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the United Arab Emirates.

Taiwan

The Notes may not be offered or sold in Taiwan unless they have been approved or reported for effectiveness for public offering and sale or are sold through private placement pursuant to Taiwan laws. The Notes may not be sold to any holder acting for the benefit or account of, or using funds of, any residents of Taiwan, corporations in Taiwan, or corporations outside Taiwan that are beneficially owned by residents of, or corporations in Taiwan.

Holders of Notes are not permitted to, directly or indirectly, sell, transfer, assign, novate or otherwise dispose of the Notes to or for the benefit or account of, or in consideration of funds received from, any

residents of Taiwan, corporations in Taiwan, or corporations outside Taiwan that are beneficially owned by residents of, or corporations in Taiwan.

The Notes will not be offered or sold to, and will not be offered or sold in consideration of funds received from, any residents of Taiwan, corporations in Taiwan, or corporations outside Taiwan that are beneficially owned by residents of, or corporations in Taiwan. Any sale or transfer of the Notes in violation of these restrictions will be invalid and will not be recognised by the Issuer.

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from information published by the Clearing Systems (as defined herein) and the Issuer believes that such sources are reliable, but prospective investors are advised to make their own enquiries as to such procedures. The Issuer accepts responsibility for the accurate reproduction of such information from public information published by the Clearing Systems and as far as the Issuer is aware and are able to ascertain from information published by the Clearing Systems, no facts have been omitted which would render the reproduced information inaccurate or misleading. In particular, such information is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "Clearing Systems") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Common Depositary, the Issuer, the Note Trustee, the Security Trustee, the Joint Placement Agent, any Paying Agent or the Swap Counterparty (or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading. See "Settlement and Transfer of Notes" below.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in such Global Note Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book-Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Global Note Certificate will have an ISIN and a Common Code and will be deposited with the Common Depositary as common depositary for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of the Common Depositary.

Payments and Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Note Certificate must look solely to Euroclear or Clearstream, Luxembourg for its share of each payment made by the Issuer to the holder of such Global Note Certificate and in relation to all other rights arising under the Global Note Certificates, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg (as the case may be).

The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Note Certificate, the depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant participants' or accountholders' accounts in the relevant Clearing System

with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Note Certificate as shown on the records of the relevant clearing system or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Note Certificate held through such Direct Participants in any clearing system will be governed by standing instructions and customary practices.

Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Note Certificate in respect of each amount so paid. None of the Common Depositary, the Issuer, the Note Trustee, the Security Trustee, any Paying Agent, the Swap Counterparty or the Corporate Services Provider will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Note Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Note Certificate held within a Clearing System are exchanged for Individual Note Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of Book-Entry Interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of Book-Entry Interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional Euro-denominated bonds.

GENERAL INFORMATION

Legal Proceedings

There are no governmental legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had since the date of its incorporation, a significant effect on the financial position or profitability of the Issuer.

Issuer has not commenced business

Since the date of its incorporation, the Issuer has not commenced business (except for matters relating to the Transaction Documents).

Third Party Information

Where information in this Prospectus has been sourced from third parties this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading.

Authorisation

All authorisations, consents and approvals required to be obtained by the Issuer for, or in connection with, the creation and issue of the Notes, the performance by the Issuer of the obligations expressed to be undertaken by it and the distribution of this Prospectus have been obtained and are in full force and effect. The issue of the Notes has been authorised by resolutions of the board of directors of the Issuer passed on 23 December 2016.

Material Adverse Change

Since 2 February 2015, being the date of the Issuer's incorporation there has been no material adverse change, or any development reasonably likely to involve any material adverse change, in the condition (financial or otherwise) of the Issuer.

Currency

In this Prospectus, unless otherwise specified, references to "EUR" and "Euro" each means the lawful currency of the participating member states of the European Union adopted in accordance with the Treaty establishing the European Communities, as amended by the Treaty on European Union.

Security Codes

The Notes have been accepted for clearance through Euroclear and Clearstream Luxembourg. The ISIN and Common Code for the Notes are as set out in the following table:

ISIN	Common Code
XS1523197207	152319720

Irish Stock Exchange Listing

This Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Directive 2003/71/EC. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive 2003/71/EC. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. The listing of the Notes will be cancelled if the Global Notes are not issued. The listing agent responsible for such listing is Arthur Cox Listing Services Limited.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock

Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive 2003/71/EC.

Inspection of Documents and Availability of Information

For the life of the Notes:

- (a) executed copies of the following documents will, when published, be available in physical form for inspection during usual business hours at the registered office of the Issuer:
 - (i) the Issuer Account Bank Agreement;
 - (ii) Cash Deposit Agreement
 - (iii) the Administration and Cash Management Agreement;
 - (iv) the Agency Agreement;
 - (v) the Corporate Services Agreement;
 - (vi) the Credit Default Swap (which will include as an Annexure the Reference Register in effect on the Portfolio Cut-Off Date consisting of anonymised details of the composition of the Reference Portfolio on such date);
 - (vii) the Note Trust Deed;
 - (viii) the Security Trust Deed;
 - (ix) the Principal Collections Account Charge;
 - (x) the Cash Deposit Bank Security Agreement;
 - (xi) the Custody Agreement;
 - (xii) the Collateral Monitoring Agreement;
 - (xiii) the Fee Letter; and
 - (xiv) the Subscription Agreement, and
- (b) copies of the following documents will, when published, be available in electronic form free of charge, during usual business hours, at the registered office of the Issuer:
 - (i) the constitution of the Issuer;
 - (ii) the future published semi-annual unaudited interim financial statements, if any, and the annual audited financial statements of the Swap Counterparty in the English language;
 - (iii) the Replenishment Reports (which shall each contain the Reference Register as of the last day of the preceding calendar month);and
 - (iv) the Investors' Reports made available by the Transaction Administrator with respect to each Note Payment Date and the other information, notices and reports produced pursuant to the Credit Default Swap.

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