

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

IMPORTANT: You must read the following before continuing. The following applies to the Prospectus attached to this electronic transmission (the "**Prospectus**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE NOTES OF THE ISSUER IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) ("**U.S. PERSONS**") EXCEPT PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY RULE 20 OF THE FINAL RULES PROMULGATED UNDER SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "**U.S. RISK RETENTION RULES**"), THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S UNDER THE SECURITIES ACT. EACH PURCHASER OF NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) IS NOT A RISK RETENTION U.S. PERSON, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES.

AN INVESTMENT IN THE NOTES IS NOT SUBJECT TO RESTRICTION UNDER THE U.S. VOLCKER RULE AS AN INVESTMENT IN AN OWNERSHIP INTEREST IN A COVERED FUND.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

In order to be eligible to make an investment decision with respect to the Notes, investors must not be U.S. persons. By accessing the Prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of the Prospectus by electronic

transmission, (c) you are not a U.S. person or acting for the account or benefit of a U.S. person and the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia and (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**") or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO.

This Prospectus has been sent to you in an electronic form. 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 nor the Transaction Parties or any person who controls any such person or any director, officer, employee or agent of any such person (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, Lloyds Bank Corporate Markets plc and Morgan Stanley & Co. International plc.

MULCAIR SECURITIES DESIGNATED ACTIVITY COMPANY
(Incorporated with limited liability in Ireland under number 636799)

Note Class	Initial Principal Amount (EUR)	Issue Price	Interest Rate/ Reference Rate	Margin / Step-Up Margin (per cent)	Additional Note Payment (per cent) (accrues from and including the Step-Up Date)	Pre-enforcement Redemption Profile	Step-Up Date/ Additional Note Payment Date	Final Maturity Date	Ratings (DBRS/ S&P)
A	€237,700,000	100.00%	3 month EURIBOR	1.00/1.65	NA	Pass through amortisation	24 April 2022	24 April 2071	AAA/AAA
B	€35,800,000	99.10%	3 month EURIBOR	1.50/2.00	NA	Pass through amortisation	24 April 2022	24 April 2071	AA/AA
C	€28,400,000	97.63%	3 month EURIBOR	1.50/1.50	1.00	Pass through amortisation	24 April 2022	24 April 2071	A(high)/A+
D	€18,900,000	97.05%	3 month EURIBOR	1.50/1.50	2.00	Pass through amortisation	24 April 2022	24 April 2071	BBB(high)/A
E	€15,000,000	96.32%	3 month EURIBOR	1.50/1.50	3.00	Pass through amortisation	24 April 2022	24 April 2071	BBB(low)/BBB
Z	€41,500,000		Class Z Note Interest Amount	N/A	N/A	Pass through amortisation	N/A	24 April 2071	Unrated

*The margin on the Class A Notes and the Class B Notes will increase to the Step-Up Margin on and from the Step-Up Date.

**Additional Note Payments can be paid in respect of the Class C Notes, the Class D Notes and the Class E Notes on and from the Interest Payment Date immediately following the Step-Up Date. Payments of Additional Note Payments are subordinated to payments of interest on the Notes. Payments of Additional Note Payments are not rated and may be deferred and non-payment thereof shall not be an Event of Default in any circumstances.

Co-Arrangers and Joint Lead Managers

Lloyds Bank Corporate Markets plc

Morgan Stanley & Co. International plc

The date of this Prospectus is 15 April 2019

Issue Date: Mulcair Securities Designated Activity Company (the "**Issuer**") will issue €237,700,000 Class A Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class A Notes**"), €35,800,000 Class B Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class B Notes**"), €28,400,000 Class C Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class C Notes**"), €18,900,000 Class D Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class D Notes**"), €15,000,000 Class E Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class E Notes**") and €41,500,000 Class Z Residential Mortgage Backed Notes due 24 April 2071 (the "**Class Z Notes**" and, together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "**Notes**") on or about 18 April 2019 (the "**Closing Date**"). The Margin for the Class A Notes and the Class B Notes will be increased to the Step-Up Margin on and from the Step-Up Date. Additional Note Payments will be due on the Class C Notes, the Class D Notes and the Class E Notes on and from the Interest Payment Date immediately following the Step-Up Date.

Stand-alone/programme issuance: Stand-alone issuance

Step-Up Date The Step-Up Date is the Interest Payment Date falling on 24 April 2022.

Underlying Assets: The Issuer will make payments on the Notes from, *inter alia*, payments of principal and interest on a portfolio comprising buy-to-let loans (the "**Mortgage Loans**") originated by The Governor and Company of the Bank of Ireland ("**Bank of Ireland**" or "**BOI**"), Bank of Ireland Mortgage Bank ("**BOIMB**") and ICS Building Society ("**ICS**") (together the "**Original Lenders**" and each an "**Original Lender**") and secured over residential properties located in Ireland (the "**Mortgage Portfolio**"). The Mortgage Loans in the Mortgage Portfolio are treated as non-performing exposures from a regulatory perspective as at the Cut-Off Date.

In September 2014, the business of ICS was transferred to Bank of Ireland by way of a statutory transfer scheme under Part III of the Central Bank Act 1971. Accordingly, Bank of Ireland is the legal and beneficial owner of loans in the Mortgage Portfolio originated by ICS. Certain loans in the Mortgage Portfolio originated by Bank of Ireland prior to 5 July 2004 were transferred by Bank of Ireland to BOIMB by way of a statutory transfer scheme under section 58 of the Asset Covered Securities Act 2001 (as amended) (the "**2001 ACS Act**"). BOIMB holds legal title to these loans and to all loans in the Mortgage Portfolio originated by BOIMB (together, the "**BOIMB Loans**"). BOIMB sold the beneficial interest in the BOIMB Loans to Bank of Ireland under a mortgage sale agreement dated on or immediately prior to the Closing Date. Accordingly, the beneficial interest in all of the loans in the Mortgage Portfolio is held by Bank of Ireland, while the legal title to the loans in the Mortgage Portfolio is held by either Bank of Ireland (these loans, the "**BOI Loans**") or, in respect of the BOIMB Loans, BOIMB.

Bank of Ireland (the "**Seller**") will sell its beneficial interest in all of the Mortgage Loans in the Mortgage Portfolio to the Issuer on the Closing Date. Please refer to the sections entitled "*The Mortgage Portfolio*" and "*Sale of Mortgage Portfolio*" for further information.

Credit Enhancement: Credit enhancement features:

- (a) Subordination of junior ranking Notes;
- (b) Senior Reserve Fund;

- (c) General Reserve Fund; and
- (d) excess Available Revenue Receipts.

Please refer to sections entitled "*Key Structural Features*" and "*Cashflows and Cash Management*" for further information

Liquidity Support:

Liquidity support features:

- (a) Senior Reserve Fund;
- (b) Principal Receipts may be applied to make up any Remaining Senior Revenue Shortfall and any Remaining Revenue Shortfall; and
- (c) General Reserve Fund.

Please refer to the section entitled "*Key Structural Features*" for further information

Redemption Provisions:

Information on any optional and mandatory redemption of the Notes is summarised on page 28 (*Transaction Overview – Overview of Terms and Conditions of the Notes*) and is set out in full in Condition 9 (*Final Redemption, Mandatory Redemption in part, Optional Redemption and Cancellation*).

Credit Rating Agencies:

DBRS Ratings Limited (including any entity that is part of or a successor to DBRS Ratings Limited) ("**DBRS**") and S&P Global Ratings Europe Limited ("**S&P**") (the "**Rating Agencies**"). As of the date hereof, each of DBRS and S&P is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended, of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**").

As such, each of the Rating Agencies is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation.

Credit Ratings:

Ratings are expected to be assigned to the Rated Notes (as defined below) as set out above on or before the Closing Date. The ratings reflect the views of the Rating Agencies and are based on the Mortgage Loans, the Related Security and the freehold or leasehold residential properties which are subject to the relevant Mortgages (each a "**Property**" and together the "**Properties**") and the structural features of the transaction.

The ratings assigned by DBRS and S&P to the Rated Notes address the likelihood of: (a) timely payment of interest due to the Class A Noteholders on each Interest Payment Date; (b) ultimate payment of interest due to holders of the Rated Notes (other than the Class A Notes and excluding any Additional Note Payments); and (c) ultimate payment of principal due to holders of the Rated Notes by a date that is not later than the Final Maturity Date.

Payments of Additional Note Payments in respect of the Class C Notes, the Class D Notes and the Class E Notes are not rated and the ratings assigned by the Rating Agencies in respect of the Class C Notes, the Class D Notes and the Class E Notes do not address the likelihood of receipt of any amounts in respect of the Additional Note Payments.

The Class Z Notes will not be rated.

The assignment of ratings to the Rated Notes is not a recommendation to invest in the Rated Notes. Any credit rating assigned to the Rated Notes may be revised, suspended or withdrawn at any time.

Listing:

This document comprises a prospectus for the purpose of Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). The Central Bank of Ireland (the "**Central Bank**") has approved this Prospectus as competent authority under the

Prospectus Directive. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to The Irish Stock Exchange plc (trading as Euronext Dublin ("**Euronext Dublin**") for the Notes to be admitted to the official list of Euronext Dublin (the "**Official List**") and to trading on its regulated market. References in this Prospectus to Notes being listed (and all related references) shall mean that such Notes have been admitted to the Official List and to trading on Euronext Dublin's regulated market.

Obligations:

The Notes will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. In particular, the Notes will not be guaranteed by, or be the responsibility of, Bank of Ireland Group plc ("**BOIG**"), Bank of Ireland, BOIMB or any company within the same group of companies as the foregoing (the "**Group**"). The Notes will not be obligations of any Transaction Party other than the Issuer.

EU Risk Retention Undertaking:

Bank of Ireland will, until the maturity of the Notes, in the capacity of originator (as defined in the Securitisation Regulation, as defined below), hold on the Closing Date and retain on an on-going basis from the Closing Date until the maturity of the Notes a material net economic interest of not less than 5 per cent. of the nominal value of the securitisation in accordance with Article 6(1) of Regulation (EU) No 2017/2402 referred to as the Securitisation Regulation (the "**Securitisation Regulation**") (as such provisions are interpreted and applied on the Closing Date and which does not take into account any corresponding national measures in any relevant jurisdiction) subject always to any requirement of law and to the extent the Securitisation Regulation continues to apply to the transaction detailed in this Prospectus.

As at the Closing Date, such interest will comprise retention by Bank of Ireland of not less than 5 per cent. of the nominal value of each of the tranches sold or transferred to investors for the purposes of the securitisation in accordance with Article 6(3)(a) of the Securitisation Regulation (the "**Retention Amount**"). Any change to the manner in which such interest is held will be notified to the Noteholders. Bank of Ireland will not sell, short, hedge, transfer or otherwise dispose of its interest in the Retention Amount, or otherwise enter into any transaction which would result in the Retention Amount being subject to any form of credit risk mitigation (and shall procure that none of its affiliates sell, short, hedge, transfer or otherwise dispose of its interest or otherwise enter into any form of credit risk mitigation), except in each case, to the extent permitted by the Securitisation Regulation. In addition to the information set out herein and forming part of this Prospectus, Bank of Ireland has undertaken to make available the information as set out in "*EU Risk Retention Requirements*". Please refer to the Section entitled "*EU Risk Retention Requirements*" for further information.

The transaction detailed in this Prospectus is not intended to involve the retention by a sponsor for purposes of compliance with the U.S. Risk Retention Rules, but rather it is intended to rely on an exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Except where such sale falls within the exemption provided by Rule 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any Risk Retention U.S. Person. See the section entitled "*U.S. Risk Retention*" for further details.

Significant Investor:

Bank of Ireland will, on the Closing Date, retain not less than 5 per cent. of the nominal value of each tranche of Notes sold or transferred to investors (including the Class Z Notes). M & G Specialty Finance (Luxembourg) 1 S.á r.l. and Prudential Loan Investments 1 S.á r.l. (together the "**M & G Funds**") are expected,

on the Closing Date, purchase circa 95 per cent. of the Class Z Notes. Please refer to the section entitled "*Subscription and Sale*" for further information.

A "RISK FACTORS" SECTION BEGINNING ON PAGE 48 OF THIS PROSPECTUS CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION.

IMPORTANT NOTICES

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, 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 UNLAWFUL. THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE NOTES MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS. THE NOTES WILL ONLY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO PERSONS THAT ARE NOT U.S. PERSONS PURSUANT TO THE REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT. THERE IS NO UNDERTAKING TO REGISTER THE NOTES UNDER STATE OR FEDERAL SECURITIES LAW. THE NOTES CANNOT BE SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS.

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE SELLER AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY RULE 20 OF THE U.S. RISK RETENTION RULES, THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY RISK RETENTION U.S. PERSONS. PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S UNDER THE SECURITIES ACT. EACH PURCHASER OF NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) IS NOT A RISK RETENTION U.S. PERSON (UNLESS IT HAS OBTAINED A PRIOR WRITTEN CONSENT OF THE SELLER), (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE; AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), 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. Any information sourced from third parties contained in this Prospectus has been accurately reproduced (and is clearly sourced where it appears in this Prospectus) and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Bank of Ireland, acting solely in its capacity as Seller, an Original Lender and a Legal Title Holder accepts responsibility for the information set out in the sections headed "*EU Risk Retention Requirements*", "*The Seller*", "*The Mortgage Portfolio*" and "*Statistical Information on the Provisional Mortgage Portfolio*". To the best of the knowledge and belief of Bank of Ireland (having taken all reasonable care to ensure that such is the case), the information contained in such sections is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Bank of Ireland as to the accuracy or completeness of any information contained in this Prospectus (other than in the sections referred to above, or any other information supplied in connection with the Notes or their distribution).

BOIMB, acting solely in its capacity as an Original Lender and a Legal Title Holder, accepts responsibility for the information set out in the section headed "*Bank of Ireland Mortgage Bank*". To the best of the knowledge and belief of BOIMB (having taken all reasonable care to ensure that such is the case), the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by BOIMB as to the accuracy or completeness of any information contained in this Prospectus

(other than in the section referred to above) or any other information supplied in connection with the Notes or their distribution.

HSBC Bank plc (the "**Interest Rate Cap Provider**") accepts responsibility for the information set out in the section headed "*The Interest Rate Cap Provider and the Interest Rate Cap Agreement*". To the best of the knowledge and belief of Interest Rate Cap Provider (having taken all reasonable care to ensure that such is the case), the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Interest Rate Cap Provider as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes or their distribution.

CSC Capital Markets (Ireland) Limited ("**CSC**") solely acting in its capacity as Replacement Administrator Facilitator accepts responsibility for the information set out in the section headed "*Replacement Administrator Facilitator*". To the best of the knowledge and belief of CSC (having taken all reasonable care to ensure that such is the case), the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by CSC as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes or their distribution.

The Bank of New York Mellon, London Branch ("**BNY Mellon**") solely acting in its capacity as Deposit Account Bank accepts responsibility for the information set out in the section headed "*The Deposit Account Bank and the Deposit Account Bank Agreement*". To the best of the knowledge and belief of BNY Mellon (having taken all reasonable care to ensure that such is the case), the information contained in such section is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by BNY Mellon as to the accuracy or completeness of any information contained in this Prospectus (other than in the section referred to above) or any other information supplied in connection with the Notes or their distribution.

The distribution of this Prospectus, or any part thereof, and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by any transaction party that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, and none of them assumes any responsibility for facilitating any such distribution or offering. In particular, save for obtaining the approval of this Prospectus as a prospectus for the purposes of the Prospectus Directive by the Central Bank, no action has been or will be taken by any Transaction Party which would permit a public offering of the Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restriction. For a further description of certain restrictions on offers and sales of the Notes and distribution of this Prospectus (or any part hereof), see the section entitled "*Subscription and Sale*" below.

Neither the delivery of this Prospectus nor any sale or allotment made in connection with any offering of any of the Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the information contained in this Prospectus since the date of this Prospectus.

None of the Co-Arrangers, the Joint Lead Managers, the Trustee or (other than as set out) the Interest Rate Cap Provider makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus or part thereof or any other information provided by the Issuer in connection with the Notes. None of the Co-Arrangers, the Joint Lead

Managers, the Trustee or (other than as set out) the Interest Rate Cap Provider accepts any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes. Each potential purchaser of Notes should determine the relevance of the information contained in this Prospectus or part hereof and the purchase of Notes should be based upon such investigation as each purchaser deems necessary. None of the Co-Arrangers, the Joint Lead Managers, the Trustee or (other than as set out) the Interest Rate Cap Provider undertakes or shall undertake to review the financial condition or affairs of the Issuer or to advise any investor or potential investor in the Notes of any information coming to the attention of the Co-Arrangers or the Joint Lead Managers.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THEREFORE MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO SUCH REGISTRATION REQUIREMENTS. THE NOTES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN UNDER THE GLOBAL NOTES.

THE NOTES REPRESENT OBLIGATIONS OF THE ISSUER ONLY AND DO NOT REPRESENT AN INTEREST IN OR OBLIGATION OF THE CO-ARRANGERS, THE JOINT LEAD MANAGERS, THE TRUSTEE, THE LEGAL TITLE HOLDERS, THE SELLER OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (OTHER THAN, FOR THE AVOIDANCE OF DOUBT, THE ISSUER). THE NOTES WILL NOT BE INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR BY THE CO-ARRANGERS, THE JOINT LEAD MANAGERS, THE TRUSTEE, THE LEGAL TITLE HOLDERS, THE SELLER OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PARTY TO THE TRANSACTION DOCUMENTS (OTHER THAN THE ISSUER) OR BY ANY OTHER PERSON OR ENTITY EXCEPT AS DESCRIBED HEREIN.

None of the Issuer, the Co-Arrangers, the Joint Lead Managers or the Trustee makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

No person has been authorised to give any information or to make any representation other than as contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Trustee, the directors of the Issuer or the Co-Arrangers or the Joint Lead Managers.

Neither of the Co-Arrangers nor the Joint Lead Managers or the Trustee shall be responsible for any matter which is the subject of any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents, or any other agreement or document relating to the Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. Each person receiving this Prospectus acknowledges that such person has not relied on the Co-Arrangers or the Joint Lead Managers or the Trustee or on any person affiliated with any of them in connection with its investigation of the accuracy of such information or its investment decision.

In connection with this issuance of the Notes as described in this Prospectus (the "**Transaction**") the Co-Arrangers and the Joint Lead Managers are acting exclusively for the Issuer and no one else. Accordingly, in connection with the Transaction, the Co-Arrangers and the Joint Lead Managers will not be responsible to anyone other than the Issuer for providing the protections afforded to its clients or for the giving of advice in relation to the Transaction. The Co-Arrangers and the Joint Lead Managers will be paid a fee by the Issuer in respect of the placement of the Notes.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. No action has been taken by the Issuer or the Co-Arrangers or Joint Lead Managers other than as set out in the paragraph headed "*Listing*" on page 5 of this Prospectus that would permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required.

The Notes will be represented by Global Notes which are expected to be deposited with a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A. /N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and registered in the name of a nominee of the Common Safekeeper on the Closing Date.

The Global Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Global Notes are intended upon issue to be deposited with a Common Safekeeper for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of the common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (Eurosystem eligible collateral) either upon issue or at any or all times during their life. Such recognition will depend upon the satisfaction of Eurosystem eligibility criteria.

References in this Prospectus to "euro", "€" or "EUR" are to the lawful currency of the Member States of the European Union that have adopted a single currency in accordance with the Treaty establishing the European Communities, as amended by the Treaty of European Union. References in this Prospectus to Ireland mean Ireland (excluding Northern Ireland).

Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank. The Issuer is not regulated by the Central Bank by virtue of the issue of the Notes.

Forward-Looking Statements and Statistical Information

Certain matters contained in this Prospectus are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the mortgage loans, and reflect significant assumptions and subjective judgments by the Issuer that 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. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the buy-to-let residential mortgage industry in Ireland.

This Prospectus also contains certain tables and other statistical analyses (the "**Statistical Information**"). Numerous assumptions have been used in preparing the Statistical Information, which may or may not be reflected in the material. As such, no assurance can be given as to the Statistical Information's accuracy, appropriateness or completeness in any particular context, or as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice.

The average life of or the potential yields on any security cannot be predicted, because the actual rate of repayment on the underlying assets, as well as a number of other relevant factors, cannot be determined. Moreover, past financial performance should not be considered a reliable indicator of future performance and 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. No assurance can be given that the assumptions on which the possible average lives of or yields on the securities are made will prove to be realistic.

None of the Co-Arrangers, the Joint Lead Managers, the Trustee, the Legal Title Holders or the Seller has attempted to verify any forward-looking statements or Statistical Information, nor does it make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements or Statistical Information. None of the Issuer, the Co-Arrangers, the Joint Lead Managers, the Trustee, the Legal Title Holders or the Seller or their respective affiliates assumes any obligation to update these forward-looking statements or Statistical Information or to update the reasons for which actual results

could differ materially from those anticipated in the forward-looking statements or Statistical Information, as applicable.

PRIIPs Regulation

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) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended) ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), 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 the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended) (the "**PRIIPs Regulation**") (a "**KID**") 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.

Persons purchasing the Notes will be deemed to represent, warrant and undertake that they have not offered and sold, and that they will not offer or sell, any of the Notes to retail investors in the EEA and that they have compiled and will comply with the PRIIPs Regulation in relation to the Notes. The Issuer expressly disclaims any responsibility, and shall have no liability towards the persons purchasing the Notes or any retail investors, for offers and sales of the Notes to retail investors in circumstances where the Notes are sold to retail investors in the EEA and that no KID has been prepared.

MIFID II Product Governance/Professional Investor and ECP only Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

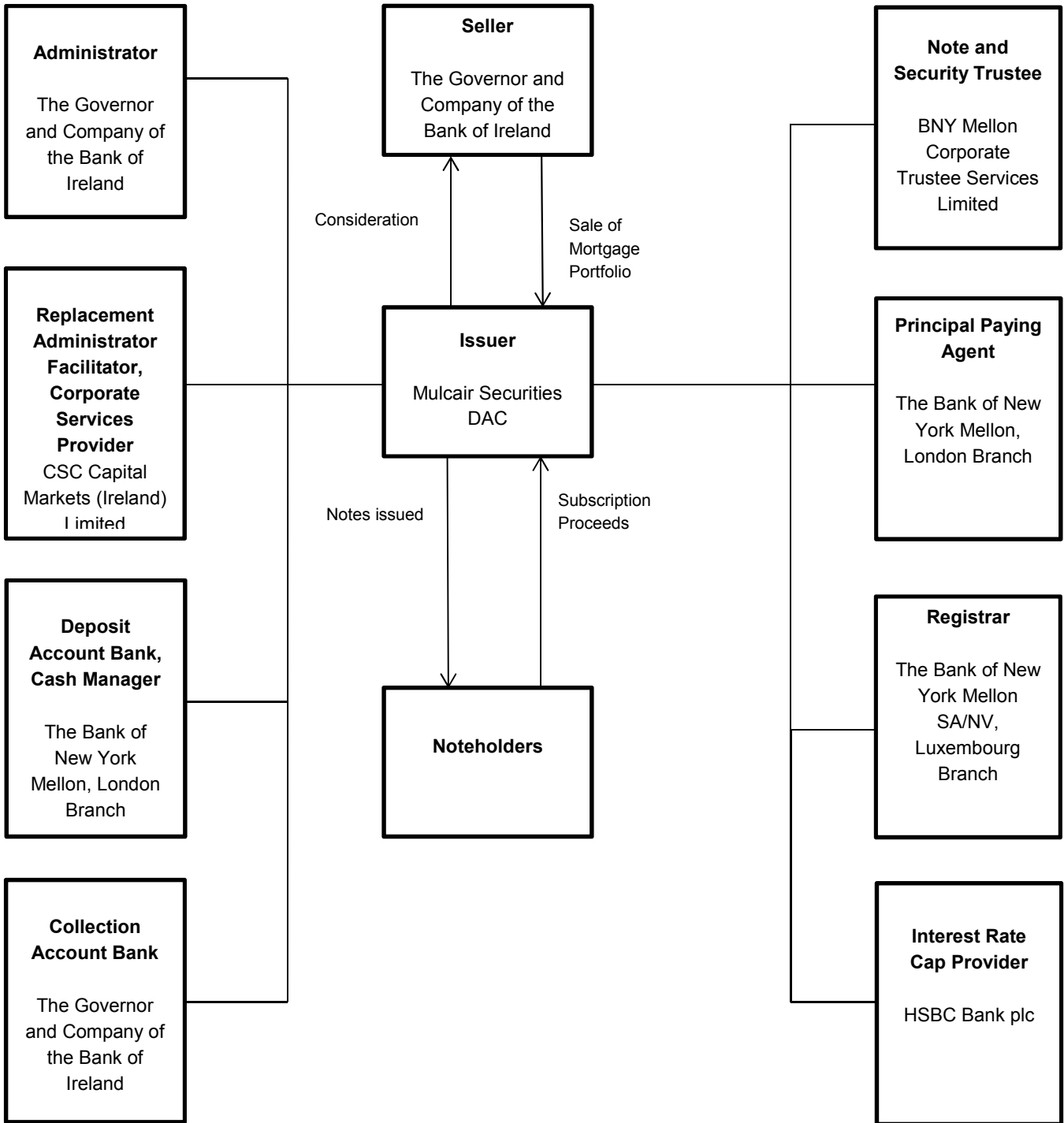
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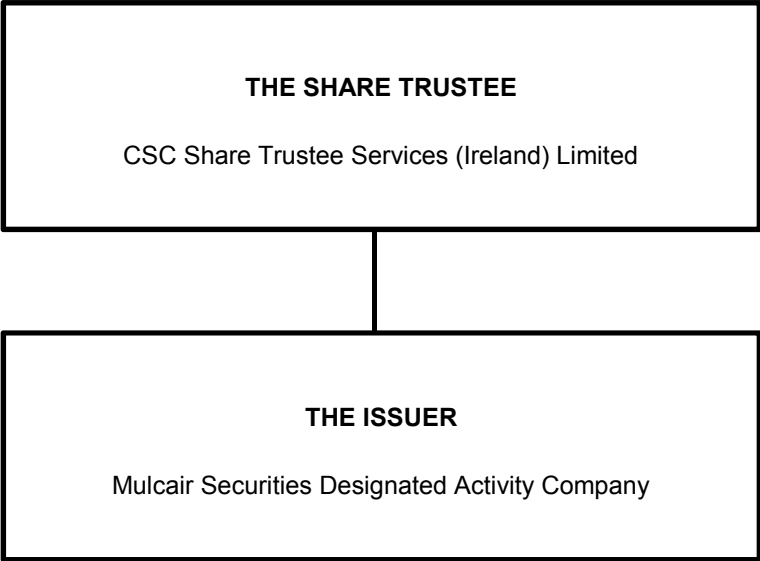
TRANSACTION OVERVIEW

The information set out below is an overview of various aspects of the Transaction. This overview is not intended to be complete and should be read in conjunction with, and is qualified in its entirety by references to, the detailed information presented elsewhere in this Prospectus.

DIAGRAMMATIC OVERVIEW OF TRANSACTION

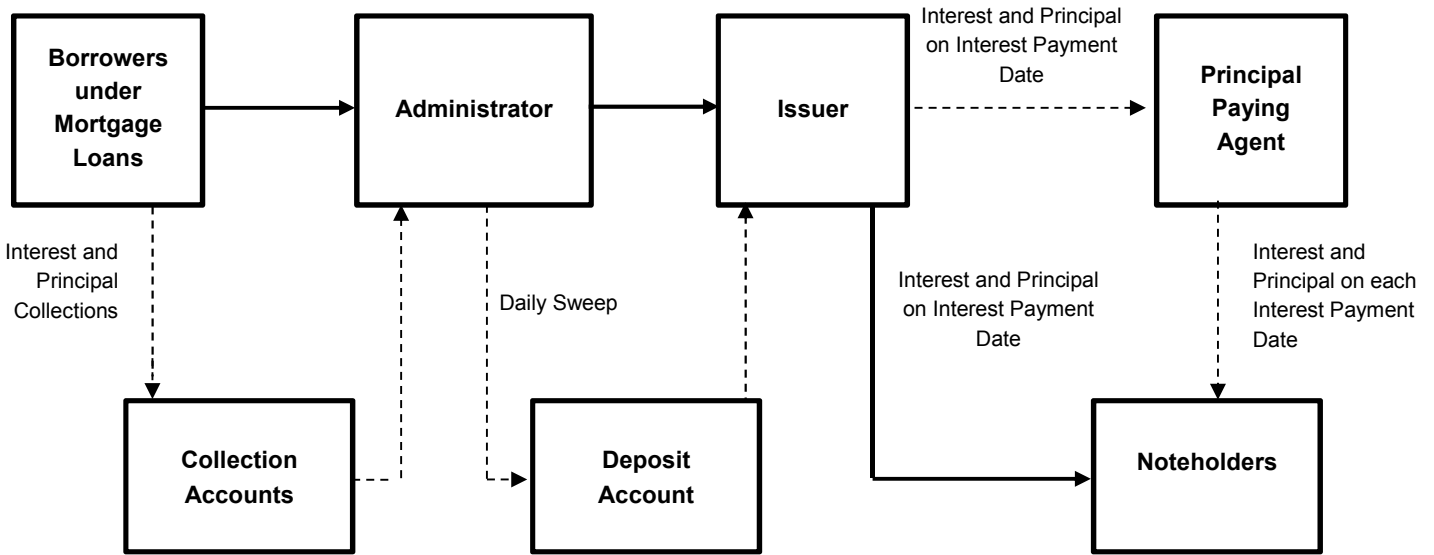


DIAGRAMMATIC OVERVIEW OF OWNERSHIP STRUCTURE



The entire issued share capital of the Issuer is legally owned by CSC Share Trustee Services (Ireland) Limited (the "**Share Trustee**") under the terms of a discretionary trust, established under Irish law for a number of charitable purposes.

DIAGRAMMATIC OVERVIEW OF ON-GOING CASHFLOW



—————> Contractual Obligations

- - - - -> Cash Flow

TRANSACTION PARTIES ON THE CLOSING DATE

Party	Name	Address	Document under which appointed/Further Information
Issuer	Mulcair Securities Designated Activity Company	28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland	N/A See section entitled " <i>The Issuer</i> " for further information
Seller and a Legal Title Holder	The Governor and Company of the Bank of Ireland	40 Mespil Road, Dublin 4, Ireland	Mortgage Sale Agreement See section entitled " <i>The Seller</i> " for further information
Legal Title Holder	Bank of Ireland Mortgage Bank	New Century House, Mayor Street Lower, I.F.S.C, Dublin 1	N/A See section entitled " <i>Bank of Ireland Mortgage Bank</i> " for further information.
Administrator	The Governor and Company of the Bank of Ireland	40 Mespil Road, Dublin 4, Ireland	Administration Agreement See section entitled " <i>The Administrator and The Administration Agreement</i> " for further information.
Cash Manager	The Bank of New York Mellon, London Branch	One Canada Square, Canary Wharf, London E14 5AL, United Kingdom	Cash Management Agreement See section entitled " <i>Cashflows and Cash Management</i> " for further information
Trustee	BNY Mellon Corporate Trustee Services Limited	One Canada Square, Canary Wharf, London E14 5AL, United Kingdom	Trust Deed and Deed of Charge See the section entitled " <i>Terms and Conditions of the Notes</i> " for further information.
Principal Paying Agent	The Bank of New York Mellon, London Branch	One Canada Square, Canary Wharf, London E14 5AL, United Kingdom	Agency Agreement See the section entitled " <i>Terms and Conditions of the Notes</i> " for further information.
Registrar	The Bank of New York Mellon SA/NV, Luxembourg Branch	Vertigo Building, Polaris 2-4, rue Eugene Ruppert, L-2453 Luxembourg	Agency Agreement See the section entitled " <i>Terms and Conditions of the Notes</i> " for further information
Collection Account Bank	The Governor and Company of the Bank of Ireland	40 Mespil Road, Dublin 4, Ireland	N/A See the section entitled " <i>Cashflows and Cash Management</i> " for further

			information
Deposit Account Bank	The Bank of New York Mellon, London Branch	One Canada Square, Canary Wharf, London E14 5AL, United Kingdom	Deposit Account Bank Agreement. See the section entitled " <i>The Deposit Account Bank and Deposit Account Bank Agreement</i> " for further information
Interest Rate Cap Provider	HSBC Bank plc	8 Canada Square, London E14 5HQ, United Kingdom	Interest Rate Cap Agreement See the section entitled " <i>The Interest Rate Cap Provider and the Interest Rate Cap Agreement</i> " for further information
Corporate Services Provider	CSC Capital Markets (Ireland) Limited	28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland	Corporate Services Agreement See the section entitled " <i>The Issuer</i> " for further information
Share Trustee	CSC Share Trustee Services (Ireland) Limited	28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland	Declaration of Trust
Replacement Administrator Facilitator	CSC Capital Markets (Ireland) Limited	28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland	Administration Agreement See the section entitled " <i>The Administrator and The Administration Agreement</i> " for further information
Co-Arranger and Joint Lead Manager	Lloyds Bank Corporate Markets plc	25 Gresham Street, London EC2V 7HN	Subscription Agreement See the section entitled " <i>Subscription and Sale</i> " for further information.
Co-Arranger and Joint Lead Manager	Morgan Stanley & Co. International plc.	25 Cabot Square, Canary Wharf, London E14 4QA	Subscription Agreement See the section entitled " <i>Subscription and Sale</i> " for further information.

FULL CAPITAL STRUCTURE OF THE NOTES

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class Z Notes
<i>Currency</i>	EUR	EUR	EUR	EUR	EUR	EUR
<i>Initial Principal Amount</i>	€237,700,000	€35,800,000	€28,400,000	€18,900,000	€15,000,000	€41,500,000
<i>Note Credit Enhancement</i>	Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes, Senior Reserve Fund and excess Available Revenue Receipts	Subordination of the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes, General Reserve Fund and excess Available Revenue Receipts	Subordination of the Class D Notes, the Class E Notes and the Class Z Notes, General Reserve Fund and excess Available Revenue Receipts	Subordination of the Class E Notes and the Class Z Notes, General Reserve Fund and excess Available Revenue Receipts	Subordination of the Class Z Notes, General Reserve Fund and excess Available Revenue Receipts	Excess Available Revenue Receipts
<i>Liquidity Support</i>	Senior Reserve Fund applied to make up Senior Revenue Shortfall. Principal Receipts applied to make up Remaining Senior Revenue Shortfall.	General Reserve Fund applied to make up Revenue Shortfall. Principal Receipts applied to make up Remaining Revenue Shortfall	General Reserve Fund applied to make up Revenue Shortfall. Principal Receipts applied to make up Remaining Revenue Shortfall.	General Reserve Fund applied to make up Revenue Shortfall. Principal Receipts applied to make up Remaining Revenue Shortfall.	General Reserve Fund applied to make up Revenue Shortfall. Principal Receipts applied to make up Remaining Revenue Shortfall.	N/A
<i>Issue Price</i>	100.00 per cent.	99.10 per cent.	97.63 per cent.	97.05 per cent.	96.32 per cent.	N/A
<i>Interest Rate</i>	3 month EURIBOR	3 month EURIBOR	3 month EURIBOR	3 month EURIBOR	3 month EURIBOR	N/A
<i>Margin</i>	1.00 per cent.	1.50 per cent.	1.50 per cent.	1.50 per cent.	1.50 per cent.	N/A

<i>Margin on and from Step-Up Date</i>	1.65 per cent.	2.00 per cent.	1.50 per cent	1.50 per cent	1.50 per cent	N/A
<i>Additional Note Payment (accrues from the Step-Up Date)</i>	N/A	N/A	1.00 per cent.	2.00 per cent.	3.00 per cent.	N/A
<i>Step-Up Date</i>	The Interest Payment Date falling on 24 April 2022.					
<i>Interest Accrual Method</i>	The actual number of days in a period divided by 360					
<i>Calculation Date</i>	The last day in the calendar month immediately preceding an Interest Payment Date.					
<i>Payment Dates</i>	Interest and principal will be payable quarterly in arrear on each Interest Payment Date.					
<i>Business Day Convention</i>	Modified Following					
<i>First Interest Payment Date</i>	The Interest Payment Date falling on 24 July 2019.					
<i>First Interest Period</i>	The period from the Closing Date to the Interest Payment Date falling on 24 July 2019.					
<i>Portfolio Option Call Date</i>	The Interest Payment Date falling on 24 April 2022	The Interest Payment Date falling on 24 April 2022	The Interest Payment Date falling on 24 April 2022	The Interest Payment Date falling on 24 April 2022	The Interest Payment Date falling on 24 April 2022	The Interest Payment Date falling on 24 April 2022
<i>Pre-Option Call Date Redemption Profile</i>	Pass through redemption on each Interest Payment Date. Please refer to Condition 9 (<i>Final Redemption, Mandatory Redemption in part, Optional Redemption and Cancellation</i>)					

<i>Post-Option Call Date Redemption Profile</i>	Pass through redemption on each Interest Payment Date. Please refer to Condition 9 (<i>Final Redemption, Mandatory Redemption in part, Optional Redemption and Cancellation</i>)					
<i>Other Early Redemption in Full Events</i>	Tax/Redemption of Class A Notes. Please refer to Condition 9 (<i>Final Redemption, Mandatory Redemption in part, Optional Redemption and Cancellation</i>)					
<i>Final Maturity Date</i>	The Interest Payment Date falling on 24 April 2071.					
<i>Form of the Notes</i>	Registered					
<i>Application for Listing</i>	Ireland					
<i>ISIN</i>	XS1962593684	XS1962596604	XS1962596869	XS1962597164	XS1962597594	XS1962598055
<i>Common Code</i>	196259368	196259660	196259686	196259716	196259759	196259805
<i>Minimum Denomination</i>	€100,000 and integral multiples of €1,000 in excess thereof	€100,000 and integral multiples of €1,000 in excess thereof	€100,000 and integral multiples of €1,000 in excess thereof	€100,000 and integral multiples of €1,000 in excess thereof	€100,000 and integral multiples of €1,000 in excess thereof	€100,000 and integral multiples of €1,000 in excess thereof
<i>Expected Ratings</i>	AAA/AAA	AA/AA	A (high)/A+	BBB (high)/A	BBB(low)/BBB	Not Rated
<i>Rating Agency</i>	(DBRS / S&P)	(DBRS / S&P)	(DBRS / S&P)	(DBRS / S&P)	(DBRS / S&P)	N/A

OVERVIEW OF TERMS AND CONDITIONS OF THE NOTES

Please refer to section entitled "Terms and Conditions of the Notes" for further detail in respect of the terms of the Notes.

Issuance of Notes:

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (the "**Rated Notes**") and the Class Z Notes (together with the Rated Notes, the "**Notes**") will be issued in registered form. Each class of Notes will be issued pursuant to Regulation S under the Securities Act and the Global Notes will be cleared through Euroclear and/or Clearstream, Luxembourg as set out in "*Description of the Notes in Global Form*" below.

Ranking of Payments of Interest:

Payment of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be paid in Sequential Order (as described below).

The Additional Note Payments and the Class Z Note Interest Amount will rank behind payments made to the Senior Reserve Fund and the General Reserve Fund.

The Notes within each individual class will rank *pro rata* and *pari passu* and rateably among themselves at all times in respect of payments of interest to be made to such individual class.

Any reference to a "class" of Notes shall be a reference to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class Z Notes, as the case may be, or to the respective holders thereof.

Ranking of Payments of Additional Note Payments

On and from the Interest Payment Date immediately following the Step-Up Date, the holders of the Class C Notes, the Class D Notes and the Class E Notes will be entitled to receive Additional Note Payments in respect of the Class C Notes, the Class D Notes and the Class E Notes respectively.

Payment of Additional Note Payments on the Class C Notes, the Class D Notes and the Class E Notes will be paid in sequential order in accordance with the relevant Priority of Payments. The Additional Note Payments will rank behind payments of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

Any Additional Note Payments not paid on an Interest Payment Date will be deferred until the immediately following Interest Payment Date and will accrue interest at the Relevant Additional Note Payment Margin. Any failure by the Issuer to pay any Additional Note Payment on an Interest Payment Date will not constitute an Event of Default.

The Notes within each individual Class of the Class C Notes, Class D Notes and the Class E Notes will rank *pro rata* and *pari passu* and rateably among themselves at all times in respect of payments of Additional Note Payments to be made to such individual Class as the case may be, or to the respective holders thereof, as provided in the Conditions.

The Ratings on the Class C Notes, the Class D Notes and the Class E Notes do not address the likelihood of receipt of any Additional Note Payments.

For a more detailed summary of the Priority of Payments, please refer to the section entitled "*Cashflows and Cash Management*".

Ranking of Payments of Principal:

Both prior to and following the delivery of an Enforcement Notice, Available Principal Receipts will be applied first, to redeem the Class A Notes, second, to redeem the Class B Notes, third, to redeem the Class C Notes, fourth, to redeem the Class D Notes, fifth, to redeem the Class E Notes and thereafter to redeem

the Class Z Notes.

The Notes within each individual class will rank *pro rata* and *pari passu* and rateably among themselves at all times in respect of payments of principal to be made to such individual class. For a more detailed summary of the Priority of Payments, please refer to the section entitled "*Cashflows and Cash Management*".

Sequential Order:

In respect of payments of interest and principal to be made to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes: first, to redeem or pay interest on the Class A Notes, second, to redeem or pay interest on the Class B Notes, third, to redeem or pay interest on the Class C Notes, fourth, to redeem or pay interest on the Class D Notes, fifth, to redeem or pay interest on the Class E Notes, sixth, to redeem the Class Z Notes or pay the Class Z Note Interest Amount in respect of the Class Z Notes.

Most Senior Class:

The Class A Notes whilst they remain outstanding and thereafter the Class B Notes whilst they remain outstanding and thereafter the Class C Notes whilst they remain outstanding and thereafter the Class D Notes whilst they remain outstanding and thereafter the Class E Notes whilst they remain outstanding and thereafter the Class Z Notes.

Security:

The Issuer's obligations in respect of the Notes are secured and will share the same Security together with the other secured obligations of the Issuer in accordance with the Deed of Charge as described in further detail in Condition 6 (*Security*). The security granted by the Issuer includes:

- (a) a first fixed charge over the benefit of the Issuer's interest in the Mortgage Loans and the Related Security (which, until notice is served on the Borrowers and, in respect of mortgages of property comprising of registered land, until registration is effected, will take effect as an equitable assignment);
- (b) a first fixed charge over the benefit of each Authorised Investment;
- (c) first fixed charges over the Deposit Account, the IRC Collateral Account (as defined below) and other bank accounts of the Issuer established on or after the Closing Date (other than the Issuer Profit Account (as defined below)) in accordance with the Deposit Account Bank Agreement, the Deed of Charge and the other Transaction Documents;
- (d) an assignment by way of security of the Issuer's interests in the Insurance Policies and a first fixed charge over the Issuer's interests in any life policies relating to the Mortgage Loans;
- (e) an assignment by way of security of the benefit under each relevant Transaction Document (other than the Corporate Services Agreement); and
- (f) a first floating charge over the whole of its undertaking and all its property, assets and rights (other than the Excluded Assets (as defined below)) whatsoever and wheresoever present and future including its uncalled capital (including assets expected to be subject to a fixed charge or assignment by way of security or absolute assignment as described above) and extending over all of its property, assets, rights or revenues as are situated in Ireland or governed by Irish law (whether or not the subject of the fixed charges or assignments described above).

The Issuer Profit Account and the Issuer's interest in the Corporate Services Agreement (the "**Excluded Assets**") will not form part of the security.

"IRC Collateral Account" means the IRC Euro Cash Collateral Account and any other separate Interest Rate Cap collateral account opened by the Issuer.

"Issuer Profit Account" means the bank account in the name of the Issuer held with the Deposit Account Bank (or such other bank as the Issuer may determine) which holds the Issuer Profit Amount.

"Mortgage Loan" means a residential mortgage loan, secured by a Mortgage and its Related Security, sold or to be sold to the Issuer on the Closing Date but excluding (for the avoidance of doubt) a Mortgage Loan and its Related Security which is repurchased by the Seller pursuant to the Mortgage Sale Agreement and no longer beneficially owned by the Issuer.

"Related Security" means, in relation to a Mortgage Loan, the security for the repayment of that Mortgage Loan including the relevant Mortgage and all other matters applicable thereto acquired as part of the Mortgage Portfolio sold to the Issuer pursuant to the Mortgage Sale Agreement including (without limitation):

- (a) the benefit of all affidavits, declarations, consents, renunciations, guarantees, indemnities, waivers and postponements (including, without limitation, deeds of consent relating to the relevant Property) from occupiers and other persons having an interest in or rights in connection with the relevant Property;
- (b) each right of action of the Seller against any person (including, without limitation, any solicitor, valuer, registrar or registry or other person) in connection with any report, valuation, opinion, certificate or other statement of fact or opinion (including, without limitation, each Certificate of Title and Valuation Report) given or received in connection with all or part of any Mortgage Loan and its Related Security or affecting the decision of the Seller to make or offer to make all or part of the Mortgage Loan but excluding, for the avoidance of doubt, any rights of action the Seller may have against BOIMB pursuant to a mortgage sale agreement dated on or immediately prior to the Closing Date (the **"Internal Mortgage Sale Agreement"**); and
- (c) the benefit of (including, without limitation, the rights as the insured person under and as notations of interest on, and returns of premium and proceeds of claims under) insurance and assurance policies (including, the relevant Insurance Policies) deposited, charged, obtained, or held in connection with the Mortgage Loan, Mortgage and/or Property and relevant Mortgage Loan files;

Certain other Secured Amounts rank senior to the Issuer's obligations under the Notes in respect of the allocation of proceeds as set out below in the Pre-Enforcement Revenue Priority of Payments, the Pre-Enforcement Principal Priority of Payments and the Post-Enforcement Priority of Payments.

Interest payable on the Notes:

The interest rates applicable to each relevant class of Notes (or in the case of the Class Z Notes, the Class Z Note Interest Amount) are described in the sections *"Overview of the Terms and Conditions of the Notes - Full Capital Structure of the Notes"* and *"Terms and Conditions of the Notes"*.

Interest Deferral:

Interest due and payable on the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (including any Additional Note Payments) may be deferred in accordance with Condition 8.12 (*Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount*).

Payments in respect of the Class Z Note Interest Amount are not deferrable as in circumstances where the Issuer has insufficient proceeds available to meet its obligations ranking senior to the Class Z Note Interest Amount, the amount due

under the Class Z Note Interest Amount shall be zero.

Additional Note Payments Payable on the Notes The rates of Additional Note Payments applicable to the Class C Notes, the Class D Notes and the Class E Notes are described in the sections "*Full Capital Structure of the Notes*" and "*Terms and Conditions of the Notes*".

Deferral of Additional Note Payments Additional Note Payments due and payable on the Class C Notes, the Class D Notes and the Class E Notes may be deferred in accordance with Condition 8.12 (*Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount*).

Gross-up: None of the Issuer, the Trustee or any other person will be obliged to pay any additional amounts to the Noteholders if there is any withholding or deduction for or on account of taxes from a payment made under the Notes.

Redemption: The Notes are subject to the following optional or mandatory redemption events:

- (a) mandatory redemption in full on the Final Maturity Date, as fully set out in Condition 9.1 (*Final Redemption*);
- (b) mandatory redemption in part on any Interest Payment Date prior to the delivery of an Enforcement Notice subject to availability of Available Principal Receipts, as fully set out in Condition 9.2 (*Mandatory Redemption in part prior to the service of an Enforcement Notice*);
- (c) mandatory redemption in full upon exercise by the Option Holder of the Portfolio Option on or following the Portfolio Option Call Date prior to the service of an Enforcement Notice as fully set out in Condition 9.3 (*Mandatory Redemption in full on the exercise of the Portfolio Option*); and
- (d) optional redemption in full exercisable by the Issuer on any Interest Payment Date on or after the date on which the Class A Notes have been redeemed or for tax reasons, as fully set out in Condition 9.4 (*Optional Redemption in full for taxation reasons or other reasons*).

Subject to the Issuer having sufficient funds available for this purpose, each Note wholly redeemed will be wholly redeemed in an amount equal to the Principal Amount Outstanding of the relevant Note together with Deferred Interest and accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Note and any Additional Note Payments accrued (and unpaid) up to (but excluding) the date of redemption.

Events of Default: As fully set out in Condition 13 (*Events of Default*), which broadly includes:

- (a) non-payment by the Issuer of any amount of principal within 7 days following the due date in respect of the Most Senior Class of Notes or non-payment by the Issuer of interest in respect of the Class A Notes within 14 days following the due date (**provided that**, for the avoidance of doubt, a deferral of interest in respect of the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes in accordance with Condition 8.12 (*Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount*) shall not constitute a default in the payment of such interest);
- (b) breach of contractual obligations by the Issuer under the Transaction Documents which is incapable of remedy or which, if capable of remedy, is not remedied within 30 days;

- (c) the occurrence of an Insolvency Event in respect of the Issuer;
or
- (d) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or Trust Documents or any of the other Transaction Documents.

"Trust Documents" means the Trust Deed and the Deed of Charge and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions of the Trust Deed or the Deed of Charge and expressed to be supplemental to the Trust Deed and the Deed of Charge.

Hedging

Hedging arrangements are described in the section "*The Interest Rate Cap Provider and the Interest Rate Cap Agreement*". On or before the Closing Date, the Issuer will enter into an Interest Rate Cap Agreement with the Interest Rate Cap Provider. The Interest Rate Cap Agreement is effective from and including the Closing Date up to and including 24 April 2026 (or, if earlier, the Relevant Redemption Date). Pursuant to the Interest Rate Cap Agreement, the Interest Rate Cap Provider, against payment of the Interest Rate Cap Fees by the Issuer on the Closing Date shall make payments to the Issuer on each Interest Payment Date if and to the extent the three month Euro Interbank Offered Rate ("**EURIBOR**") for the relevant Interest Period exceeds the Cap Strike Rate.

Limited Recourse:

All of the Notes are ultimately limited recourse obligations of the Issuer and, if the Issuer has insufficient funds to pay amounts due in respect of the Notes in full, following the distribution of all available funds, any amounts outstanding under the Notes will cease to be due and payable as described in more detail in Condition 10 (*Limited Recourse*).

In accordance with Condition 15 (*No action by Noteholders or any other Secured Creditor*), only the Trustee may pursue the remedies available under the general law or under the Trust Documents to enforce the Security and no Noteholder or other Secured Creditor shall be entitled to proceed directly against the Issuer to enforce the Security.

Benchmarks

Amounts payable under the Rated Notes are calculated by reference to EURIBOR, which is provided by the European Money Markets Institute (the "**EURIBOR Administrator**"). The EURIBOR Administrator appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**BMR**").

Governing Law:

The Notes and the Transaction Documents (other than the Interest Rate Cap Agreement) will be governed by Irish law. The Subscription Agreement and the Interest Rate Cap Agreement will be governed by English law.

OVERVIEW OF RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS

Please refer to the section entitled "Terms and Conditions of the Notes" for further details in respect of the rights of Noteholders, conditions for exercising such rights and their relationship with other Secured Creditors.

Prior to an Event of Default: Noteholders holding not less than 10 per cent. of the Principal Amount Outstanding of the Notes then outstanding of the relevant class are entitled to request that the Trustee convene a Noteholders' meeting and all Noteholders of each class are entitled to participate in a Noteholders' meeting convened by the Issuer or the Trustee to consider any matter affecting their interests.

However, so long as no Event of Default has occurred and is continuing the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Trustee, without the consent of the Issuer and, if applicable, certain other Transaction Parties, unless the Issuer has an obligation to take such actions under the relevant Transaction Documents.

Following an Event of Default: Following the occurrence of an Event of Default which is continuing, the Trustee may at its discretion and shall if directed in writing by the holders of not less than 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes or by an Extraordinary Resolution of the holders of the Most Senior Class, direct the Trustee in writing to give an Enforcement Notice to the Issuer that the Notes of all classes are immediately due and repayable at their respective Principal Amount Outstanding together with accrued interest (including Deferred Interest) provided that the Trustee shall not be bound to take any action unless it has been indemnified and/or secured and/or prefunded to its satisfaction.

Noteholders Meeting provisions:

Notice period:	21 clear days for the initial meeting	14 clear days for the adjourned meeting
Quorum:	One or more persons holding or representing in aggregate a majority of the Principal Amount Outstanding of the relevant class or classes of Notes outstanding for the initial meeting (other than in respect of a Reserved Matter (which must be proposed separately to each class of Noteholders), which requires one or more persons holding or representing in the aggregate not less than 75 per cent. of the Principal Amount Outstanding of the relevant class or classes of Notes then outstanding).	At an adjourned meeting one or more persons being or representing Noteholders of that class or those classes, whatever the Principal Amount Outstanding of the Notes then outstanding held or represented by them (other than in respect of a Reserved Matter (which must be proposed separately to each class of Noteholders), which requires one or more persons holding or representing not less than in aggregate 25 per cent of the Principal Amount Outstanding of the relevant class or classes of Notes then outstanding).
Required majority for	Not less than 75 per cent	Not less than 75 per cent

Extraordinary Resolution: of votes cast of votes cast

Written Resolution: all of the Principal Amount Outstanding of the relevant class of Notes outstanding. A Written Resolution has the same effect as an Extraordinary Resolution.

Reserved Matters: Broadly speaking, the following matters are Reserved Matters: changes to payments (timing, method of calculation, reduction in amounts due and currency), changes to effect the exchange, conversion or substitution of the Notes, alterations to the priority of payment of interest or principal in respect of the Notes and changes to quorum and majority requirements and amendments to the definition of Reserved Matters.

Relationship between classes of Noteholders In the event of a conflict of interests of holders of different classes, the Trustee shall have regard only to the interests of the holders of the Most Senior Class and will not have regard to any lower ranking class of Notes. Other than in respect of Reserved Matters and an Extraordinary Resolution of the Class Z Noteholders directing the termination of the appointment of the Administrator, an Extraordinary Resolution of holders of the Most Senior Class shall be binding on holders of all other classes and would override any resolutions to the contrary of the holders of classes ranking behind the Most Senior Class. A Reserved Matter requires an Extraordinary Resolution of each class of Notes then outstanding.

Extraordinary Resolution of the Class Z Noteholders directing termination of appointment of Administrator: The Trust Deed provides that the holders of the Class Z Notes may by an Extraordinary Resolution direct the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) to terminate the appointment of the Administrator on a date specified in the Extraordinary Resolution. Such Extraordinary Resolution of the Class Z Noteholder shall be binding on holders of all other classes.

Seller as Noteholder: Bank of Ireland will hold not less than 5 per cent. of the nominal value of each Class of Notes sold or transferred to investors for risk retention purposes.

The definition of "*outstanding*" in Condition 2.1 sets out, amongst other things, certain circumstances where the Notes (if any) which are for the time being held by or on behalf of or for the Seller or any holding company of the Seller or any other subsidiary of such holding company (unless and until ceasing to be so held) shall be deemed not to remain outstanding for certain purposes including:

- (a) the right to attend and vote at a meeting of Noteholders and for the purposes of making Written Resolutions;
- (b) the removal or replacement of the Trustee;
- (c) the determination of how many and which Notes are for the time being outstanding for the purposes of certain clauses of the Trust Deed, certain Conditions and the Provisions for Meetings of Noteholders (as defined in Condition 2.1); and
- (d) any discretion, power or authority which the Trustee is required to exercise in or by reference to the interests of the Noteholders,

except that, in respect of any meeting of Noteholders to consider the removal or replacement of the Trustee, where one or more Relevant Persons (as defined in Condition 2.1) holds, in aggregate, more than 50 per cent. of the Principal Amount Outstanding of the Notes of the relevant class, such Notes shall be deemed to remain outstanding for the purposes of such vote.

Relationship between Noteholders and other Secured Creditors The Trust Deed provides that the Trustee shall, except where expressly provided otherwise and prior to the redemption in full of the Notes, have regard solely to the interests of the Noteholders and shall have regard to the interests of the other

Secured Creditors only to ensure the application of the Issuer's funds after the delivery of an Enforcement Notice is in accordance with the Post-Enforcement Priority of Payments.

Provision of Information to the Noteholders

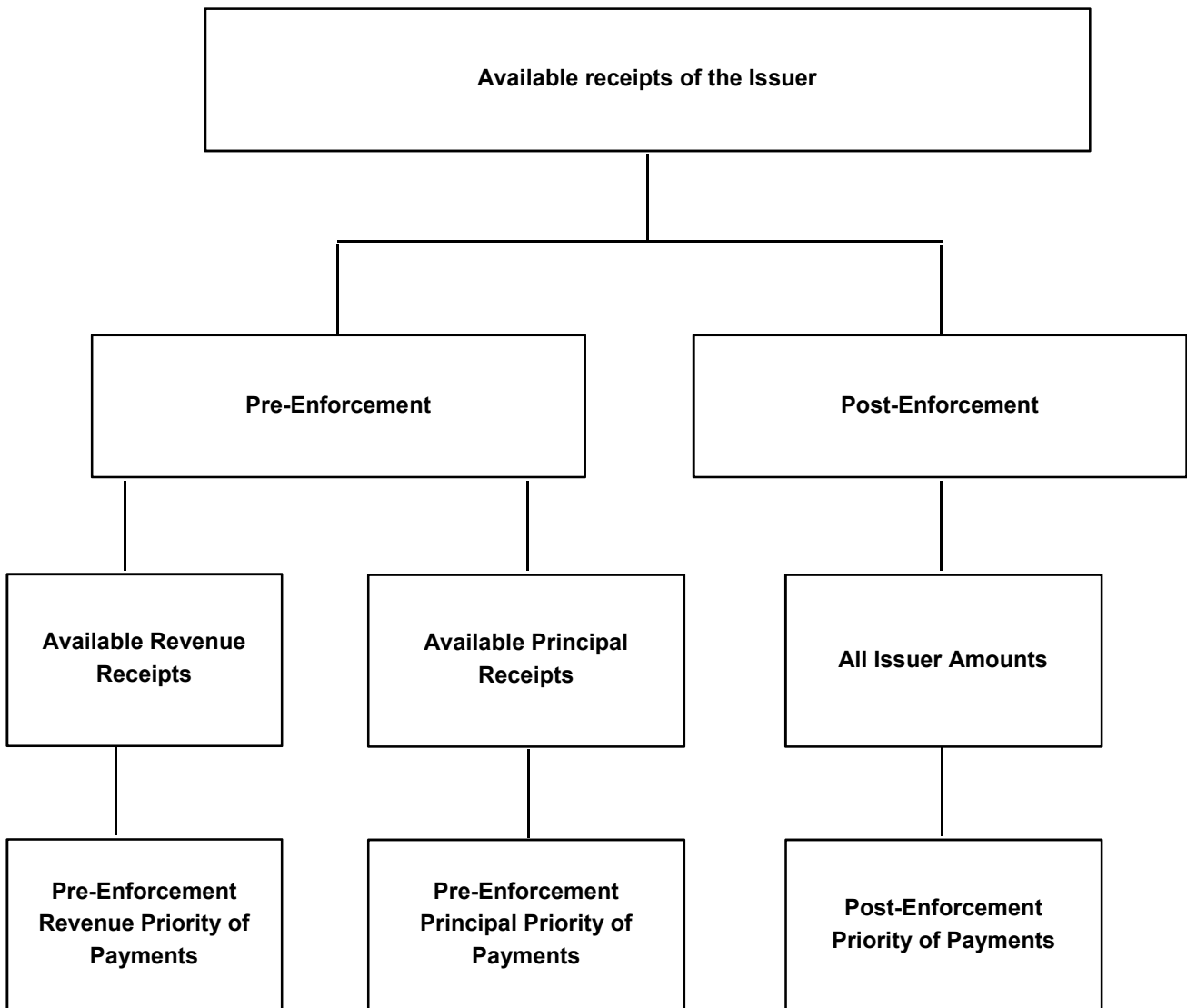
The Issuer as the designated entity for the purpose of Article 7 of the Securitisation Regulation will procure that the Cash Manager on behalf of the Issuer will prepare an investor report (each, an "**Investor Report**") on a quarterly basis (or, in respect to the first Investor Report, in respect to the period from the Closing Date to 30 June 2019) containing information in relation to the Mortgage Portfolio and the Notes including, but not limited to, such information as the Issuer is required to provide under Article 7 of the Securitisation Regulation (including, for the avoidance of doubt, certain loan-by-loan information in relation to the Mortgage Portfolio as required by and in accordance with Article 7(1)(a) of the Securitisation Regulation and an investor report as required by and in accordance with Article 7(1)(e) of the Securitisation Regulation), ratings of the Notes, amounts paid by the Issuer pursuant to the relevant Priority of Payments in respect of the relevant Calculation Period, required counterparty information and the Seller's holding of the Notes and their compliance with Article 6(1) of the Securitisation Regulation.

The Investor Reports will be published on the European Data Warehouse at <https://edwin.eurowdw.eu/edweb/Deal/ViewDeal/RMBSIE000433100520197>, being a website that conforms with the requirements set out in Article 7(2) of the Securitisation Regulation. The Investor Reports will be published on a securitisation repository when an appropriate repository becomes available in accordance with the Securitisation Regulation. Each Investor Report shall be made available no later than one month following the relevant Interest Payment Date. For the avoidance of doubt, such website and the contents thereof do not form part of this Prospectus.

For further information please refer to the section entitled "*Listing and General Information*".

DIAGRAMMATIC OVERVIEW OF CASHFLOWS

Please refer to the sections entitled "Key Structural Features" and "Cashflows and Cash Management" for further detail in respect of the credit structure and cash flow of the transaction.



OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS

Please refer to the sections entitled "Key Structural Features — Credit Enhancement and Liquidity Support" and "Cashflows and Cash Management" for further detail in respect of the credit structure and cash flow of the transaction.

Available Revenue Receipts and Available Principal Receipts of the Issuer:

The Cash Manager will apply Available Revenue Receipts and Available Principal Receipts on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments respectively, as set out below.

"Available Revenue Receipts" will, for each Interest Payment Date (and without double counting) include the following:

- (a) the Revenue Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period which have been designated as Available Revenue Receipts by the Cash Manager in accordance with the Cash Management Agreement;
- (b) interest payable to the Issuer on the Deposit Account and income from any Authorised Investments in each case received during the immediately preceding Calculation Period;
- (c) any amounts withdrawn from the Senior Reserve Fund to remedy a Senior Revenue Shortfall;
- (d) any amounts withdrawn from the General Reserve Fund to remedy a Revenue Shortfall;
- (e) any Principal Receipts applied to remedy a Remaining Senior Revenue Shortfall or a Remaining Revenue Shortfall;
- (f) any Principal Receipts applied as Principal Deficiency Excess Revenue Amounts;
- (g) on the Final Rated Note Distribution Date, the General Reserve Fund Residual Amount;
- (h) amounts received by the Issuer under or in connection with the Interest Rate Cap Agreement, other than amounts that must be otherwise applied under the IRC Collateral Account Priority of Payments;
- (i) any Senior Reserve Fund Excess Amounts; and
- (j) other net income of the Issuer received during the immediately preceding Calculation Period (other than any Principal Receipts).

"Available Principal Receipts" will, for each Interest Payment Date (and without double-counting), include the following:

- (a) all Principal Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period;
- (b) the amounts (if any) to be credited to the Principal Deficiency Ledger pursuant to items (f), (h), (j), (l), (n) and (s) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date;
- (c) amounts representing the Option Purchase Price

received by the Issuer upon sale of the Mortgage Portfolio further to the exercise of the Portfolio Option;

- (d) on and from the Portfolio Option Call Date, any Available Revenue Receipts which are available to it to be applied as Available Principal Receipts pursuant to item (t) of the Pre-Enforcement Revenue Priority of Payments;
- (e) on the earlier of the date (i) the Class A Notes are redeemed in full and (ii) the aggregate Current Balance of the Mortgage Loans is less than one per cent. of the aggregate Current Balance of the Mortgage Loans on the Closing Date, any amounts standing to the credit of the Senior Reserve Fund,

less the amount of Principal Receipts applied as Principal Deficiency Excess Revenue Amounts pursuant to paragraph (f) of the definition of Available Revenue Receipts (such amounts to constitute Available Revenue Receipts).

Overview of Priorities of Payments:

Below is a summary of the Priorities of Payments. Please refer to the section entitled "*Cashflows and Cash Management*" for further information. In addition, please refer to "*Limited Recourse*" in the section entitled "*Overview of Terms and Conditions of the Notes*".

Pre-Enforcement Revenue Priority of Payments	Pre-Enforcement Principal Priority of Payments	Post-Enforcement Priority of Payments
<ul style="list-style-type: none"> (a) Fees, costs and expenses of the Trustee and any Appointee; (b) The Issuer Profit Amount, any costs and fees of the Agents, Account Bank, Deposit Account Bank, Collection Account Bank, Cash Manager, Corporate Services Provider, Replacement Administrator Facilitator, any third parties, amounts required to discharge any liability of the Issuer for corporation tax (which cannot be met out of amounts previously retained as Issuer Profit Amount) and any costs and expenses associated with any transfer of administration to a substitute administrator; (c) Any costs and fees of the Administrator (including any indemnity payments); (d) Interest due and payable on the Class A Notes; (e) So long as the Class A Notes remain outstanding, to credit the Senior Reserve Fund up to the Senior Reserve Fund Required 	<ul style="list-style-type: none"> (a) Amounts to be applied as Available Revenue Receipts to remedy any Remaining Senior Revenue Shortfall or Remaining Revenue Shortfall; (b) For so long as the Class A Notes remain outstanding and following any amount credited pursuant to item (e) of the Pre-Enforcement Revenue Priority of Payments) an amount to be credited to the Senior Reserve Fund up to the Senior Reserve Fund Required Amount; (c) To redeem the Class A Notes (x) in full, where there is or will be no Deferred Interest outstanding on the Class B Notes on such Interest Payment Date, and (y) so there is €1 Principal Amount Outstanding on each Class A Note, where there is or will be Deferred Interest outstanding on the Class B Notes on such Interest Payment Date; (d) To redeem the Class B Notes in 	<ul style="list-style-type: none"> (a) Fees, costs and expenses of the Trustee (and any Receiver appointed by the Trustee); (b) Any costs and fees of the Agents, Account Bank, Deposit Account Bank, Collection Account Bank, Cash Manager, Corporate Services Provider, Replacement Administrator Facilitator, any third parties and any tax payable by the Issuer; (c) Any costs and fees of the Administrator (including any indemnity payments); (d) Interest due and payable on the Class A Notes; (e) To redeem the Class A Notes in full; (f) Interest due and payable on the Class B Notes; (g) To redeem the Class B Notes in full; (h) Interest due and payable

- Amount;
- (f) An amount sufficient to eliminate any debit on the Class A Principal Deficiency Sub-Ledger;
- (g) Interest due and payable on the Class B Notes;
- (h) An amount sufficient to eliminate any debit on the Class B Principal Deficiency Sub-Ledger;
- (i) Interest due and payable on the Class C Notes (other than Additional Note Payments);
- (j) An amount sufficient to eliminate any debit on the Class C Principal Deficiency Sub-Ledger;
- (k) Interest due and payable on the Class D Notes (other than Additional Note Payments);
- (l) An amount sufficient to eliminate any debit on the Class D Principal Deficiency Sub-Ledger;
- (m) Interest due and payable on the Class E Notes (other than Additional Note Payments);
- (n) An amount sufficient to eliminate any debit on the Class E Principal Deficiency Sub-Ledger
- (o) So long as any Rated Notes will remain outstanding following such Interest Payment Date to credit the General Reserve Fund up to the General Reserve Fund Required Amount;
- (p) On and from the Interest Payment Date immediately following the Step-Up Date, any amount due as a Class C Additional Note Payment;
- (q) On and from the Interest Payment Date immediately following the Step-Up Date, any amount due as a Class D Additional Note Payment;
- (r) On and from the Interest Payment Date immediately following the Step-Up Date, any
- full;
- (e) To redeem the Class C Notes in full;
- (f) To redeem the Class D Notes in full;
- (g) To redeem the Class E Notes in full; and
- (h) To redeem the Class Z Notes in full.
- on the Class C Notes (other than Additional Note Payments);
- (i) To redeem the Class C Notes in full;
- (j) Interest due and payable on the Class D Notes (other than Additional Note Payments);
- (k) To redeem the Class D Notes in full;
- (l) Interest due and payable on the Class E Notes;
- (m) To redeem the Class E Notes in full (other than Additional Note Payments);
- (n) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as a Class C Additional Note Payment;
- (o) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class D Additional Note Payment;
- (p) On and from the Interest Payment Date immediately following the Step-Up Date, amounts due as Class E Additional Note Payment;
- (q) the Class Z Note Interest Amount (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations under paragraphs (a) to (p) above);
- (r) To redeem the Class Z Notes in full; and
- (s) Issuer Profit Amount.

- amount due as a Class E Additional Note Payment;
- (s) An amount sufficient to eliminate any debit on the Class Z Principal Deficiency Sub-Ledger; and
- (t) On the Portfolio Option Call Date and each Interest Payment Date thereafter on which the Rated Notes remain outstanding to apply the balance of Available Revenue Receipts following application in accordance with (a) to (s) above as Available Principal Receipts; and
- (u) the Class Z Note Interest Amount (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations under paragraphs (a) to (t) above).

Key Structural Features

The general credit and liquidity structure of the transaction includes, broadly, the following elements:

- availability of the Senior Reserve Fund, initially funded by part of the proceeds of issuance of the Class Z Notes on the Closing Date up to the Initial Senior Reserve Fund Required Amount (being an amount equal to 2 per cent. of the Principal Amount Outstanding of the Class A Notes as at the Closing Date) and, if sufficient funds are available, replenished on each Interest Payment Date up to the Senior Reserve Fund Required Amount from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments. The Senior Reserve Fund will be credited to the Deposit Account. Moneys standing to the credit of the Senior Reserve Fund will be applied to make up any Senior Revenue Shortfall. On the earlier of the date (i) the Class A Notes are redeemed in full; and (ii) the aggregate Current Balance of the Mortgage Loans is less than one per cent of the aggregate Current Balance of the Mortgage Loans on the Closing Date, the Senior Reserve Fund Residual Amount will constitute Available Principal Receipts;

“Senior Reserve Fund Required Amount” means (a) on any Interest Payment Date up to (but excluding) the earlier of (x) the Interest Payment Date on which the Class A Notes are redeemed in full; and (y) the Interest Payment Date on which the outstanding principal balance of the Mortgage Loans becomes less than one per cent. of the initial principal balance of the Mortgage Loans as at the Closing Date, an amount equal to the greater of:

- (i) the product of (A) 2 per cent. and (B) the Principal Amount Outstanding of the Class A Notes on the relevant Interest Payment Date; and
 - (ii) the product of (A) 1 per cent. and (B) the Principal Amount Outstanding of the Class A Notes on the Closing Date; and
 - (b) thereafter, zero.
- availability of Principal Receipts to make up any Remaining Senior Revenue Shortfall;
 - availability of the General Reserve Fund, initially funded by part of the proceeds of issuance of the Class Z Notes on the Closing Date up to the Initial General Reserve Fund Required Amount (being an amount equal to 2 per cent. of the aggregate Principal Amount Outstanding of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes as at the Closing Date and, if sufficient funds are available, replenished on each Interest Payment Date up to the General Reserve Fund Required Amount from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments. The General Reserve Fund will be credited to the Deposit Account. Moneys standing to the credit of the General Reserve Fund will be applied to make up any Revenue Shortfall. Any amount credited to the General Reserve Fund after the Rated Notes have been redeemed in full will form part of Available Revenue Receipts;

“General Reserve Fund Required Amount” means an amount equal to:

- (a) on any Interest Payment Date up to (but excluding) the date that the Class E Notes are redeemed in full, an amount equal to the product of (x) 2 per cent.; and (y) the aggregate Principal Amount Outstanding of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes on the relevant Interest Payment Date; and
 - (b) thereafter, zero.
- availability of Principal Receipts to make up any Remaining Revenue Shortfall;
 - on the Final Rated Note Distribution Date, availability of the General Reserve Fund Residual Amount to be applied as Available Revenue Receipts on such Interest Payment Date;
 - prior to the service of an Enforcement Notice, payments of principal will be made first, to the Class A Notes until the Class A Notes are redeemed in full, second, to the Class B Notes until the Class B Notes are redeemed in full, third, to the Class C Notes until the Class C Notes are redeemed in full, fourth, to the Class D Notes until the Class D Notes are redeemed in full, fifth,

to the Class E Notes until the Class E Notes are redeemed in full and finally, to the Class Z Notes. Payments on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes will be subordinated to payments on the Class A Notes; payments on the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes will be subordinated to payments on the Class B Notes; payments on the Class D Notes, the Class E Notes and the Class Z Notes will be subordinated to payments on the Class C Notes, payments on the Class E Notes and the Class Z notes will be subordinate to payments on the Class D Notes and payments on the Class Z Notes will be subordinate to payments on the Class E Notes.

- it is expected that during the life of the Notes, the Available Revenue Receipts will be sufficient to pay the interest amounts payable in respect of all the Rated Notes, the Senior Expenses of the structure and to permit the Issuer to retain the Issuer Profit Amount.

See the section entitled "*Key Structural Features*" for further information.

Senior Revenue Shortfall

On each Calculation Date, the Cash Manager will determine whether Available Revenue Receipts (excluding item (c) and any Available Principal Receipts applied to remedy a Remaining Senior Revenue Shortfall pursuant to item (e) of Available Revenue Receipts) are sufficient to pay or provide for payment of Senior Expenses, and interest amounts on the Class A Notes that is, items (a) to (d) inclusive of the Pre-Enforcement Revenue Priority of Payments. To the extent that Available Revenue Receipts (excluding item (c) and any Available Principal Receipts applied to remedy a Remaining Senior Revenue Shortfall pursuant to item (e) of Available Revenue Receipts) are insufficient to pay items (a) to (d) inclusive of the Pre-Enforcement Revenue Priority of Payments in full (the amount of any deficit being a "**Senior Revenue Shortfall**"), the Cash Manager will, on the relevant Interest Payment Date and on behalf of the Issuer, pay or provide for such Senior Revenue Shortfall by applying amounts standing to the credit of the Senior Reserve Fund.

If, on any Interest Payment Date, the funds credited to the Senior Reserve Fund (having taken into account any funds applied on such Interest Payment Date to remedy a Senior Revenue Shortfall) exceed the Senior Reserve Fund Required Amount, the excess (being the "**Senior Reserve Fund Excess Amounts**") shall form part of the Available Revenue Receipts to be distributed on such Interest Payment Date.

Remaining Senior Revenue Shortfall

Following application of amounts standing to the credit of the Senior Reserve Fund to pay or provide for a Senior Revenue Shortfall, the Cash Manager will on the relevant Interest Payment Date and on behalf of the Issuer, pay or provide for any remaining Senior Revenue Shortfall and replenishment of the Senior Reserve Fund to the Senior Reserve Fund Required Amount, such amounts together being a "**Remaining Senior Revenue Shortfall**" by applying Available Principal Receipts (if any).

The application of any Available Principal Receipts (if any) will be recorded as set out below in the section entitled "*Overview of Credit Structure and Cashflows – Principal Deficiency Ledger*".

Revenue Shortfall

On each Calculation Date, the Cash Manager will determine whether

Available Revenue Receipts (excluding item (d) and any Available Principal Receipts applied in respect of any Remaining Revenue Shortfall pursuant to item (e) of Available Revenue Receipts) remaining after paying or providing for items (a) to (f) inclusive of the Pre-Enforcement Revenue Priority of Payments, will be sufficient to pay or provide for payment of interest amounts on the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and the elimination of debit balances on the Class B Principal Deficiency Sub-Ledger, Class C Principal Deficiency Sub-Ledger, Class D Principal Deficiency Sub-Ledger and Class E Principal Deficiency Sub-Ledger, that is, items (g) to (n) inclusive of the Pre-Enforcement Revenue Priority of Payments. To the extent that such remaining Available Revenue Receipts (excluding item (d) and any Available Principal Receipts applied in respect of any Remaining Revenue Shortfall pursuant to item (e) of Available Revenue Receipts) would be insufficient to pay items (g) to (n) inclusive of the Pre-Enforcement Revenue Priority of Payments in full (the amount of any deficit being a "**Revenue Shortfall**"), the Cash Manager will, on the relevant Interest Payment Date and on behalf of the Issuer, pay or provide for such Revenue Shortfall by applying amounts standing to the credit of the General Reserve Fund.

Remaining Revenue Shortfall

If on any Interest Payment Date:

- (i) after the Class A Notes have been redeemed in full or the Principal Amount Outstanding of each Class A Note is not greater than €1, Available Revenue Receipts (excluding item (e) of Available Revenue Receipts) would not be sufficient to provide in full for payment of interest on the Class B Notes; or
- (ii) after the Class A Notes and the Class B Notes have been redeemed in full, Available Revenue Receipts (excluding item (e) of Available Revenue Receipts) would not be sufficient to provide in full for payment of interest on the then Most Senior Class of Notes outstanding,

the Cash Manager will, on the relevant Interest Payment Date, apply Available Principal Receipts (if any) to pay or provide for any such amounts of interest due (such amounts being a "**Remaining Revenue Shortfall**").

Principal Deficiency Ledger

The Principal Deficiency Ledger of the Issuer will record as a debit to the ledger the following items:

- (a) any Losses on the Mortgage Loans in the Mortgage Portfolio;
- (b) in the case of any Mortgage Loans in arrears by 180 days or more an amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage provided that, for the avoidance of doubt, if a Mortgage Loan no longer falls under items (a), (b) or (c) of the definition of the Arrears Percentage, the amount previously debited to the Principal Deficiency Ledger is instead credited to the Principal Deficiency Ledger; and
- (c) the application of any Available Principal Receipts to meet any Remaining Senior Revenue Shortfall or Remaining Revenue Shortfall; and
- (d) the application of any Principal Deficiency Excess Revenue Amount.

On each Calculation Date, the Cash Manager will calculate the then current balance of the Principal Deficiency Ledger and will, on the subsequent Interest Payment Date, apply Available Revenue Receipts to cure any debit entries in the order set out in the Pre-Enforcement Revenue Priority of Payments.

If it is later determined that the debit balance of the Principal Deficiency Ledger was miscalculated as being higher than was later found to be the case (as a result of Mortgage Loans in arrears being later found to have been fully or partially cured or following any recoveries of principal from defaulting Borrowers on enforcement of any Mortgage Loans (including proceeds of sale of the relevant Property) which amounts have already been recorded as a debit to the Principal Deficiency Ledger), it may be the case that, on any Interest Payment Date, the Available Revenue Receipts that were applied to cure a debit entry on the Principal Deficiency Ledger were excessive for such purpose. In such circumstances, following the application of Available Revenue Receipts, the Principal Deficiency Ledger will have a negative balance (any such amount, the "**Principal Deficiency Excess**"). Amounts equal to such Principal Deficiency Excess shall form part of the Available Revenue Receipts on the following Interest Payment Date, such amounts being "**Principal Deficiency Excess Revenue Amounts**".

The Principal Deficiency Ledger will be divided into six sub-ledgers which will correspond to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes. The sub-ledger for each class of Notes will show separate entries for each class of Notes.

Debits will be recorded as follows:

- (a) first, on the Class Z Principal Deficiency Sub-Ledger until the debit balance of that sub-ledger is equal to the then aggregate Principal Amount Outstanding of the Class Z Notes;
- (b) second, on the Class E Principal Deficiency Sub-Ledger until the debit balance of that sub-ledger is equal to the then aggregate Principal Amount Outstanding of the Class E Notes;
- (c) third, on the Class D Principal Deficiency Sub-Ledger until the debit balance of that sub-ledger is equal to the then aggregate Principal Amount Outstanding of the Class D Notes;
- (d) fourth, on the Class C Principal Deficiency Sub-Ledger until the debit balance of that sub-ledger is equal to the then aggregate Principal Amount Outstanding of the Class C Notes;
- (e) fifth, on the Class B Principal Deficiency Sub-Ledger until the debit balance of that sub-ledger is equal to the then aggregate Principal Amount Outstanding of the Class B Notes; and
- (f) sixth, on the Class A Principal Deficiency Sub-Ledger until the debit balance of that sub-ledger is equal to the then aggregate Principal Amount Outstanding of the Class A Notes.

On each Interest Payment Date, the Issuer shall apply any Available Revenue Receipts available for such purpose in accordance with the Pre-Enforcement Revenue Priority of Payments to extinguish or reduce any debit balance on the Principal Deficiency Ledger. Such Available Revenue Receipts will be applied on an Interest Payment Date as follows:

- (a) first, provided that interest due on the Class A Notes has been paid in full, in or towards satisfaction of the amounts necessary to reduce to zero the debit balance on the Class A Principal Deficiency Sub-Ledger;
- (b) second, provided that interest due on the Class B Notes has been paid in full, in or towards satisfaction of the amounts necessary to reduce to zero the debit balance on the Class B Principal Deficiency Sub-Ledger;
- (c) third, provided that interest due on the Class C Notes has been paid in full, in or towards satisfaction of the amounts necessary to reduce to zero the debit balance on the Class C Principal Deficiency Sub-Ledger;
- (d) fourth, provided that interest due on the Class D Notes has been paid in full, in or towards satisfaction of the amounts necessary to reduce to zero the debit balance on the Class D Principal Deficiency Sub-Ledger;
- (e) fifth, provided that interest due on the Class E Notes has been paid in full, in or towards satisfaction of the amounts necessary to reduce to zero the debit balance on the Class E Principal Deficiency Sub-Ledger; and
- (f) sixth, in or towards satisfaction of the amounts necessary to reduce to zero the debit balance on the Class Z Principal Deficiency Sub-Ledger prior to payment of interest due on the Class Z Notes.

On each Interest Payment Date where a Senior Revenue Shortfall exists, the Issuer shall also apply any amount standing to the credit of the Senior Reserve Fund to extinguish or reduce any balance on the Class A Principal Deficiency Sub-Ledger (see "*Overview of Credit Structure and Cash flows — Senior Revenue Shortfall*" above).

On each Interest Payment Date where a Revenue Shortfall exists, the Issuer shall also apply any amount standing to the credit of the General Reserve Fund to extinguish or reduce any balance on the Class B - Class E Principal Sub-Deficiency Ledgers (see "*Overview of Credit Structure and Cash flow — Revenue Shortfall*" above).

Please refer to the section entitled "*Key Structural Features*" for further information on this.

Deposit Agreement

The Administrator will deposit any cash amounts which it receives from the Collection Accounts into an account of the Issuer (the "**Deposit Account**") maintained at The Bank of New York Mellon, London Branch (the "**Deposit Account Bank**") which is the subject of an agreement between the Issuer, the Trustee and the Deposit Account Bank dated on or about the Closing Date (the "**Deposit Account Bank Agreement**"). The Deposit Account will be subject to security in accordance with the Deed of Charge. The Deposit Account shall bear or charge interest at a rate equal to the applicable EONIA – 0.125 per cent. See "*The Deposit Account Bank and The Deposit Account Bank Agreement*" below for further information.

Deposit Account and Cash Management

The Administrator will ensure that all payments due under the Mortgage Loans are made by Borrowers into the Collection Accounts. The Collection Accounts will be subject to the Collection Account Declarations of Trust.

Amounts credited to the Collection Accounts from (and including) the Closing Date that relate to the Mortgage Loans will be identified on a daily basis (each such aggregate daily amount, a "**Daily Mortgage Loan Amount**") and the Administrator will transfer an amount equal to each Daily Mortgage Loan Amount from the Collection Accounts into the Deposit Account on the next Business Day after such Daily Mortgage Loan Amount is identified as received in the relevant Collection Account. On each Interest Payment Date amounts standing to the credit of the Deposit Account will be applied by the Cash Manager on behalf of the Issuer in accordance with the relevant Priority of Payments.

"Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in London and Dublin and which is a TARGET2 Settlement Day.

OVERVIEW OF THE MORTGAGE PORTFOLIO AND ADMINISTRATION

Please refer to the section entitled "The Mortgage Portfolio – The Mortgage Loans", "The Mortgage Portfolio – Statistical Information on the Provisional Mortgage Portfolio" and "The Administrator and the Administration Agreement" for further detail in respect of the characteristics of the Mortgage Portfolio and the sale and the servicing arrangements in respect of the Mortgage Portfolio.

Sale of Mortgage Portfolio

The Mortgage Portfolio will consist of the Mortgage Loans and the Related Security which will be sold by the Seller to the Issuer on the Closing Date pursuant to the Mortgage Sale Agreement.

The Mortgage Loans and Related Security are governed by the laws of Ireland.

Please refer to the section entitled "Sale of the Mortgage Portfolio under the Mortgage Sale Agreement" for further information.

Features of Mortgage Loans

Certain features of the Mortgage Loans as at 31 January 2019 are set out in the table below and investors should refer to, and carefully consider, further details in respect of the Mortgage Loans set out in "The Mortgage Portfolio – Statistical Information on the Provisional Mortgage Portfolio". The Mortgage Loans comprise loans to Borrowers which are secured by first priority charges over freehold and leasehold residential buy-to-let properties in Ireland.

The majority of the Mortgage Loans were originated as buy-to-let Mortgage Loans, meaning that the proceeds of such Mortgage Loans were used to purchase residential property in Ireland for letting purposes.

Certain other Mortgage Loans were originated as residential mortgage loans the proceeds of which were used to purchase residential property in Ireland constituting (at the time of origination) the principal dwelling house ("PDH") of the relevant Borrower and have subsequently become buy-to-let Mortgage Loans as the residential property secured is no longer the PDH of the relevant Borrower.

There are no Mortgage Loans secured over PDHs in the Mortgage Portfolio.

Type of Borrower	Prime	
Type of mortgage	Repayment and interest only	Self-certified
Number of Mortgage Loans	971	None

	Weighted average	Minimum	Maximum
Current Balance	€218,467	€1,001	€4,365,210
Seasoning (years)	12.44	4.25	25.50

Consideration

The consideration which will be due and payable on the Closing Date by the Issuer to the Seller in respect of the sale of the Mortgage Portfolio together with its Related Security in accordance with the Mortgage Sale Agreement shall be

an amount equal to the proceeds of the Notes less the aggregate of the amounts required: to meet the costs and expenses incurred by the Issuer in respect of the issuance of the Notes on the Closing Date; to fund the Senior Reserve Fund up to the Initial Senior Reserve Fund Required Amount; to fund the General Reserve Fund up to the Initial General Reserve Fund Required Amount; and to pay the Interest Rate Cap Fees to the Interest Rate Cap Provider (the "**Consideration**")

The "**Mortgage Portfolio**" means the Provisional Mortgage Portfolio but excluding any Mortgage Loans in the Provisional Mortgage Portfolio which, at any time prior to the Closing Date, are found not to comply with the warranties to be given in respect of the Mortgage Loans on the Closing Date as set out in the Mortgage Sale Agreement.

The "**Provisional Mortgage Portfolio**" means the portfolio of Mortgage Loans as at 31 January 2019 (the "**Cut-Off Date**") which has been identified and selected by the Seller.

Any reference to the "**Current Balance**" of any Mortgage Loan means, on any date, the aggregate balance on the Borrower's account in respect of a Mortgage Loan at such date being (but avoiding double counting):

- (a) the original principal amount advanced to the Borrower; and
- (b) any advance of further moneys to the Borrower thereof prior to the Closing Date on the security of or securable on the relevant Property and any amount added to the principal balance of the relevant Mortgage Loan prior to the Closing Date on the terms of the relevant mortgage deed after the date of completion of such Mortgage Loan which remains outstanding as at such date; and
- (c) all Accrued Interest not yet due and Arrears of Interest which in each case has not been added to the principal amount; and
- (d) all accrued fees and expenses including, without limitation, insurance premiums,

as at the end of the Business Day immediately preceding that given date, **minus** any repayment or payment (including, if permitted, by way of set-off, withholding or counterclaim) of any of the foregoing made on or before the end of the Business Day immediately preceding that given date and excluding any retentions made but not released.

See the section entitled "*The Mortgage Portfolio*" for further information.

Representations and Warranties

The Seller will make certain representations and warranties to the Issuer and the Trustee on the Closing Date in respect of the Mortgage Portfolio (the "**Mortgage Loan Warranties**"). Please see the section entitled "Sale of the Mortgage Portfolio under the Mortgage Sale Agreement – Mortgage Loan Warranties" for further details.

The Issuer and the Trustee will have the benefit of all or certain of the Mortgage Loan Warranties contained in the Mortgage Sale Agreement and given by the Seller as at the Cut-Off Date or the Closing Date (as applicable), including warranties in relation to material compliance with the Lending Criteria as it applied at the date of origination of the Mortgage Loans.

The Issuer's sole remedy for a breach of Mortgage Loan Warranty (after expiration of any applicable remedy period) shall be the requirement that the Seller either (at its sole option) repurchase the Mortgage Loan (and its Related Security) which is the subject of any such breach or provide an indemnity to the Issuer in respect of any loss that the Issuer suffers as a

result of such warranty breach. In the event of a breach of representation and warranty, the remedy to be applied shall be selected by the Seller at its sole discretion.

For a summary of the recourse the Issuer has against the Seller in respect of Mortgage Loan Warranty breaches, including as to minimum claim thresholds and time and monetary limits, please refer to the sections entitled "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement – Breach of Mortgage Loan Warranty*" and "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement – Limitations of Liability with respect to a breach of Mortgage Loan Warranty and Tracker Remediation Mortgage Loans*".

Repurchase of Mortgage Loans

In the event of a material breach of a Mortgage Loan Warranty (after the expiration of any applicable remedy period), the Seller shall repurchase any Mortgage Loan and its Related Security (and any other Mortgage Loan secured or intended to be secured by the same Related Security or any part of it) where, amongst other conditions, the Seller has elected not to indemnify the Issuer against any loss suffered by reason of such material breach.

Furthermore, where the Seller is notified by the Issuer or the Administrator on its behalf that any Mortgage Loan has become a Tracker Remediation Mortgage Loan, the Seller may either (at its sole option) repurchase such Mortgage Loan and its Related Security (and any other Mortgage Loan secured or intended to be secured by the same Related Security or any part of it) or indemnify the Issuer in respect of any losses that the Issuer suffers as a result of such Mortgage Loan becoming a Tracker Remediation Mortgage Loan. In the event of a Mortgage Loan becoming a Tracker Remediation Mortgage Loan, the remedy to be applied shall be selected by the Seller at its sole discretion.

See the section entitled "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" for further information

Consideration for Repurchase

The consideration payable (the "**Repurchase Consideration**") by the Seller to the Issuer on the repurchase of (i) a Mortgage Loan following a breach of a Mortgage Loan Warranty; or (ii) a Tracker Remediation Mortgage Loan shall be payment in cash of an amount equal to the Current Balance of that Mortgage Loan subject to repurchase at the date specified in the Mortgage Loan Repurchase/Indemnification Notice. The Current Balance(s) of such Mortgage Loans will be calculated two Business Days prior to the repurchase date.

See the section entitled "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" for further information.

Perfection Trigger Events

See "*Perfection Trigger Events*" in the section entitled "*Transaction Overview – Triggers Table – Non-Rating Triggers Table*".

Prior to the completion of the transfer of legal title of the Mortgage Loans, the Issuer will hold only an equitable and/or beneficial interest in those Mortgage Loans and will, therefore, be subject to certain risks as set out in the risk factor entitled "*Title of the Issuer*" in the section entitled "*Risk Factors*".

If:

- (a) obliged to do so by law, by court order or by a mandatory requirement of any regulatory authority;

- (b) an Insolvency Event occurs in respect of a Legal Title Holder;
- (c) an Enforcement Notice has been delivered; or
- (d) the Administrator's appointment under the Administration Agreement has been terminated,

the Issuer or (if at the relevant time the Issuer does not hold the Whole Legal Title) the Seller (for so long as the Whole Legal Title is held by the Legal Title Holders and upon receipt of a direction from the Issuer), shall promptly transfer or (in the case of the BOIMB Loans) procure the transfer of the Whole Legal Title in the Mortgage Loans and their Related Security to the Legal Title Transferee.

Administration of the Mortgage Portfolio

The Administrator agrees to service on behalf of the Issuer the Mortgage Loans and their Related Security. The appointment of the Administrator may be terminated by the Issuer and/or the Trustee (subject to the terms of the Administration Agreement) upon the occurrence of an Administrator Termination Event (see "*Administrator Termination Event*" in the "*Non-Rating Triggers Table*").

The holders of the Class Z Notes may by an Extraordinary Resolution direct the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) to terminate the appointment of the Administrator. Such termination may not take effect until a date that is 9 months' from the date of the Extraordinary Resolution or the date that a replacement administrator has been appointed (whichever is later) and may be revoked by a further Extraordinary Resolution at any time within 3 months of the first Extraordinary Resolution.

The Administrator may also resign by giving not less than 3 months' notice to the Issuer, the Trustee and the Replacement Administrator Facilitator and subject to, *inter alia*, a replacement administrator having been appointed.

The Issuer will appoint the Replacement Administrator Facilitator in accordance with the Administration Agreement. If the Administrator's appointment is terminated, the Replacement Administrator Facilitator shall use best efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable replacement administrator in accordance with the Administration Agreement.

Legal Title Holder

The Seller or, as applicable, BOIMB (each a "**Legal Title Holder**" and together the "**Legal Title Holders**") shall retain the legal title to the Mortgage Loans from the Closing Date until the occurrence of a Perfection Trigger Event.

Option Holder may exercise the Portfolio Option

Pursuant to the Deed Poll, the Issuer will grant to the Option Holder certain rights which may be exercised on any Portfolio Option Commencement Date Closing Date but prior to the delivery of an Enforcement Notice, as follows:

- (a) the right to require the Issuer to sell and transfer to the Option Holder or a Beneficial Title Transferee the beneficial title to all (but not some only) of the Mortgage Loans and their Related Security in consideration for the Option Purchase Price; and
 - (i) where the Option Holder does not require the Administrator to continue to service the Mortgage Loans following the transfer of the Whole Beneficial Title, the right to require the Issuer to:
 - (A) (if applicable) transfer to the Option Holder or its

nominee the legal title to all (but not some only) of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio (the "**Whole Legal Title**"); or

(B) if, at the time the Portfolio Option is exercised, the Issuer does not hold legal title, procure that the Seller transfers or procures the transfer of the Whole Legal Title to the Option Holder or its nominee,

or,

(ii) where the Option Holder requires the Administrator to continue to service the Mortgage Loans following the transfer of the Whole Beneficial Title, the right to require the Issuer to procure that the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Option Holder or its nominee (the "**Trust Beneficiary**") and confirm to the Trust Beneficiary that the Whole Legal Title is held on trust for it,

for effect on the relevant Portfolio Option Completion Date.

"Portfolio Option Commencement Date" means :

(a)

i) any Business Day falling on or prior to (x) 3 months prior to the Portfolio Option Call Date (where the Exercise Notice directs the Issuer to transfer, or to procure that the Seller either transfers or procures the transfer, of the Whole Legal Title to the Transferee) or (y) 30 days prior to the Portfolio Option Call Date (where the Exercise Notice directs the Issuer to procure the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Trust Beneficiary); or

ii) each Interest Payment Date after the Portfolio Option Call Date; or

(b) any Interest Payment Date on which the aggregate Principal Amount Outstanding of the Rated Notes is equal to or less than 10 per cent. of the aggregate Principal Amount Outstanding of the Rated Notes on the Closing Date; or

(c) any Business Day following the occurrence of a Redemption Event.

See section entitled "*Early Redemption of the Rated Notes*" below.

OVERVIEW OF FEES

The following table sets out the estimated on-going annual fees to be paid by the Issuer to the specified Transaction Parties.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Administration Fees	0.2 per cent. per annum (inclusive of VAT) of the aggregate Current Balance of the Mortgage Portfolio at the opening of business on the first day of the preceding Calculation Period	Ahead of all outstanding Notes	Quarterly in arrear on each Interest Payment Date
Cash Management Fees	€3,000 per annum (inclusive of VAT)	Ahead of all outstanding Notes	Quarterly in arrear on each Interest Payment Date
Other fees and expenses of the Issuer	Estimated at €160,000 each year (inclusive of VAT)	Ahead of all outstanding Notes	Quarterly in arrear on each Interest Payment Date
Expenses related to the admission to trading of the Notes	Estimated at €4,050 exclusive of any applicable VAT)	Ahead of all outstanding Notes	On or about the Closing Date

RISK FACTORS

The following is a description of the principal risks associated with an investment in the Notes. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. These risk factors are material to an investment in the Notes and in the Issuer. Prospective Noteholders should carefully read and consider all the information contained in this Prospectus, including the risk factors set out in this section, prior to making any investment decision.

An investment in the Notes is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to suffer any potential loss stemming therefrom.

The Issuer believes that the risks described below are the material risks inherent in the transaction for Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks relating to the Notes are exhaustive. Additional risks or uncertainties not presently known to the Issuer or that the Issuer currently considers immaterial may also have an adverse effect on the Issuer's ability to pay interest, principal or other amounts in respect of the Notes. Prospective Noteholders should read the detailed information set out in this Prospectus and reach their own views, together with their own professional advisers, prior to making any investment decision. Prospective Noteholders should read the sections of this Prospectus entitled "Transaction Overview" to "Triggers Tables" (inclusive) before reading and considering the risks described below.

Credit Structure

Notes obligations of Issuer only

The Notes will be obligations solely of the Issuer and will not be the responsibility of, or guaranteed by, any of the Transaction Parties (other than the Issuer). In particular, the Notes will not be obligations of, and will not be guaranteed by or be the responsibility of any Co-Arranger, Joint Lead Manager, the Trustee, the Seller, the Legal Title Holders, any company which is in the same group of companies as the Seller or any other party. No person other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes.

Limited source of funds

The ability of the Issuer to meet its obligations to pay principal and interest and Additional Note Payments on the Notes and its operating and administrative expenses will be dependent solely on Revenue Receipts and Principal Receipts in respect of the Mortgage Loans in the Mortgage Portfolio and from any enforcement of the Mortgage Loans, interest earned on the Deposit Account, income from any Authorised Investments, amounts standing to the credit of the General Reserve Fund and the Senior Reserve Fund and any net amounts received under the Interest Rate Cap Agreement. Other than the foregoing, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes and/or any other payment obligation ranking in priority to, or *pari passu* with, or below, the Notes under the applicable Priority of Payments. If such funds are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Creditors, subject to the applicable Priority of Payments. The Issuer will have no recourse to the Seller, save as provided in the Mortgage Sale Agreement (see further the section entitled "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*").

Without prejudice to the generality of the foregoing, the amounts paid in respect of payments of the Class Z Note Interest Amount are uncertain and may vary considerably depending on the performance of the underlying Mortgage Portfolio. The ability of the Issuer to make repayments of principal on the Class Z Notes is also uncertain and heavily dependent on the performance of the underlying Mortgage Portfolio.

Limited recourse

The Notes will be limited recourse obligations of the Issuer. Other than the sources of funds referred to in the preceding paragraph, the Issuer is not expected to have any other funds available to it to meet its obligations under the Notes. If at any time following:

- (a) the occurrence of either:
 - (i) the Final Maturity Date or any earlier date upon which all of the Notes of each class are due and payable; or
 - (ii) the service of an Enforcement Notice; and
- (b) realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any class of Notes, then the amount remaining to be paid (after such application in full of the amounts first referred to in (b) above) under such class of Notes (and any class of Notes junior to that class of Notes) shall, on the day following such application in full of the amounts referred to in (b) above, cease to be due and payable by the Issuer. The Issuer will not be obliged to pay any amounts representing a shortfall and any claims in respect of such shortfall shall be extinguished. "Realisation" is defined in Condition 10 (*Limited Recourse*).

None of the Secured Creditors shall be entitled to institute against the Issuer any bankruptcy, reorganisation, arrangement, examination, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligation relating to the Notes or the other Transaction Documents, save for lodging a claim in the winding-up of the Issuer which is initiated by any other party.

Each Secured Creditor (other than the Trustee) will agree that if any amount is received by it (including by way of set-off) in respect of any secured obligation owed to it other than in accordance with the provisions of the Deed of Charge, then an amount equal to the difference between the amount so received by it and the amount that it would have received had it been paid in accordance with the provisions of the Deed of Charge and shall be received and held by it as trustee for the Trustee and shall be paid over to the Trustee immediately upon receipt so that such amount can be applied in accordance with the provisions of the Deed of Charge.

Deferral of interest payments on the Notes and Additional Note Payments

If, on any Interest Payment Date (other than the Final Maturity Date), the Issuer has insufficient funds to make payment in full of all amounts of interest (including any accrued interest thereon) payable in respect of any class of Notes (other than the Class A Notes), after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then that amount shall not be due and payable and the Issuer will be entitled under Condition 8.12 (*Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount*) to defer payment of that amount (to the extent of the insufficiency) until the following Interest Payment Date or such earlier date as interest in respect of such class of Notes becomes immediately due and payable in accordance with the Conditions. A deferral of interest on the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes shall not constitute an Event of Default. To the extent that there are insufficient funds on the following Interest Payment Date or such earlier date as interest in respect of such class of Notes is scheduled to be paid in accordance with the Conditions, the deferral of interest shall continue until the Final Maturity Date or such earlier date on which each respective class of Notes falls to be redeemed in accordance with Condition 9 (*Final Redemption, Mandatory Redemption in part, Option Redemption and Cancellation*).

Failure to pay timely interest on the Class A Notes will constitute an Event of Default under the Notes which may result in the Trustee enforcing the Security.

If, on any Interest Payment Date after the Step-Up Date, the Issuer has insufficient funds to make payment in full of all amounts in respect of Additional Note Payments (including interest (if any) accrued but unpaid and/or deferred and accrued interest thereon) payable in respect of the Class C Notes, the Class D Notes and the Class E Notes after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall defer payment of the relevant Additional Note Payment until the next Interest Payment Date. Such failure to pay Additional Note Payments shall not constitute an Event of Default. To the extent that there are insufficient funds on the following Interest Payment Date or such earlier date as interest in respect of such Class of Notes is scheduled to be paid in accordance with the Conditions, the deferral of interest shall continue until the Final Maturity Date.

In the event the Issuer has insufficient proceeds available to meet its obligations ranking senior to the Class Z Note Interest Amount, the amount due in respect of the Class Z Note Interest Amount shall be zero.

Credit risk

The Issuer is subject to the risk of payment default by the Borrowers and upon such payment default, the failure by the Administrator, on behalf of the Issuer, to realise or recover sufficient funds from the Borrowers under the arrears and default procedures in respect of the Mortgage Loans and their Related Security in order to discharge all amounts due and owing by the relevant Borrowers under the Mortgage Loans. This risk may adversely affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by certain credit enhancement features which are described in the section entitled "*Key Structural Features – Credit Enhancement and Liquidity Support*". However, no assurance can be made as to the effectiveness of such credit enhancement features or that such alternative sources of liquidity will protect the Noteholders from all risk of delayed payment and/or loss.

Liquidity risk

The Issuer is subject to the risk of insufficiency of funds on any Interest Payment Date as a result of payments being made late by Borrowers after the end of the Calculation Period immediately preceding each relevant Interest Payment Date. This risk may adversely affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by the provision of liquidity from alternative sources as described in the section entitled "*Key Structural Features – Credit Enhancement and Liquidity Support*". However, no assurance can be made as to the effectiveness of such alternative sources of liquidity, or that such alternative sources of liquidity will protect the Noteholders from all risk of delayed payment and/or loss.

Payment of principal, interest and Additional Note Payments in respect of the classes of Notes is sequential

Payments of principal and interest on the Class A Notes will be made in priority to payments of principal and interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes. Payments of principal and interest on the Class B Notes will be made in priority to payment of principal and interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes. Payments of principal and interest on the Class C Notes will be made in priority to payment of principal and interest on the Class D Notes, the Class E Notes and the Class Z Notes. Payments of principal and interest on the Class D Notes will be made in priority to payment of principal and interest on the Class E Notes and Class Z Notes. Payments of principal and interest on the Class E Notes will be made in priority to payment of principal and interest on the Class Z Notes. There can be no assurance that these subordination provisions will protect the then current Most Senior Class of Noteholders from all risks of loss.

Payment of Additional Note Payments in respect of the Class C Notes will be made in priority to payments of Additional Note Payments on the Class D Notes and the Class E Notes. Payment of Additional Note Payments in respect of the Class D Notes will be made in priority to payments of Additional Note Payments on the Class E Notes. Payments of Additional Note Payments in respect of the Class E Notes will be made in priority to payment of the Class Z Interest Amount.

Interest rate risk

The Mortgage Portfolio is a mix of Fixed Rate Mortgage Loans, Variable Rate Mortgage Loans and Tracker Rate Mortgage Loans. The reference rate for the Notes (other than the Class Z Notes) is based on three month EURIBOR.

The Issuer is subject to:

- (a) the risk of a mismatch between (i) the fixed rates of interest payable on the Fixed Rate Mortgage Loans and the interest rate payable in respect of the Rated Notes; and (ii) interest on the Variable Rate Mortgage Loans and the Tracker Rate Mortgage Loans being determined on different bases than that on which the interest rate payable on the Rated Notes is determined; and
- (b) the risk that any cash held by or on behalf of the Issuer may earn a rate of return below the rate of interest payable on the Notes, which risk is mitigated (but not eliminated) by the Issuer placing amounts on deposit with the Deposit Account Bank pursuant to the Deposit Account Agreement and the ability of the Issuer (or the Cash Manager on its behalf) to invest sums standing to the credit of the Deposit Account in Authorised Investments and the availability of excess Available Revenue Receipts, each of which are available to meet payments of interest due under the Notes and the other expenses of the Issuer.

An increase in the level of three months' EURIBOR could adversely impact the ability of the Issuer to make payments on the Notes. To mitigate the effect of such interest rate mismatch, however, the Issuer is entering into the Interest Rate Cap Agreement with the Interest Rate Cap Provider, whereby the Interest Rate Cap Provider is obliged to make payments to the Issuer on each Interest Payment Date if three month EURIBOR exceeds the Cap Strike Rate. Entry by the Issuer into the Interest Rate Cap Agreement does not completely eliminate the interest rate risk related to the Notes.

In the event that the provisions of Condition 17.2 (*Additional Right of Modification*) apply and EURIBOR is replaced as the base rate in respect of the Notes in circumstances where the Interest Rate Cap is not amended to reflect the replacement base rate, the Interest Rate Cap may not completely mitigate the effect of such interest rate mismatch.

In addition, the Administrator shall undertake for the benefit of the Issuer not to maintain the Variable Rates at a level which would result in the Weighted Average Variable Rate falling below the VR Floor. This partially mitigates the risk of amounts received in respect of Variable Rate Mortgage Loans not being sufficient to make payments of interest on the Notes.

Projections, Forecasts and Estimates

Any projections, forecasts and estimates provided to prospective purchasers of the Notes are forward looking statements. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Accordingly, the projections are only an estimate. Actual results may vary from the projections, and the variations may be material.

Some important factors that could cause actual results to differ materially from those in any forward looking statements include changes in interest rates, market, financial, political, regulatory or legal uncertainties mismatches between the timing of accrual and receipt of interest and principal from the Mortgage Loans, among others.

None of the Issuer, the Seller, the Co-Arrangers, the Joint Lead Managers or any other Transaction Party or any of their respective affiliates has any obligation to update or otherwise revise any projections, including any revisions to reflect changes in economic conditions or other circumstances arising after the date hereof or to reflect the occurrence of unanticipated events, even if the underlying assumptions do not come to fruition.

Yield and prepayment considerations

The yield to maturity of the Notes of each class will depend on, among other things, the amount and timing of payment of principal and interest (including prepayments, sale proceeds arising on enforcement of a Mortgage Loan and sale proceeds arising on repurchases of Mortgage Loans in accordance with the Mortgage Sale Agreement) on the Mortgage Loans and the price paid by the holders of the Notes of each class. Such yield may be adversely affected by, amongst other things, a higher or lower than anticipated rate of prepayments on the Mortgage Loans, if the Option Holder purchases, or the Seller repurchases any Mortgage Loans, or if the Seller is required to pay compensation to the Issuer in respect of breach of one or more of the Mortgage Loan Warranties which is not capable of remedy or in respect of Tracker Remediation Mortgage Loans.

The rate of prepayment of Mortgage Loans is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing programmes, local and regional economic conditions and the conditions in the private rental market. Subject to the terms and conditions of the Mortgage Loans (which may require in some cases notification to the Administrator and in other cases the consent of the Administrator), a Borrower may "overpay" or prepay principal on any day in specified circumstances. No assurance can be given as to the level of prepayments that the Mortgage Portfolio will experience. See also the section entitled "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*".

Following enforcement of the Security, there is no guarantee that the Issuer will have sufficient funds to redeem the Notes in full.

Pursuant to the Portfolio Option, the Option Holder may, subject to certain conditions, purchase all (but not some) of the Loans and their Related Security comprising the Mortgage Portfolio at the Option Purchase Price on any Portfolio Option Commencement Date.

If the Portfolio Option is exercised by the Option Holder, the Issuer shall redeem all of the Rated Notes on the Interest Payment Date on which the sale of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio to the Beneficial Title Transferee pursuant to the Portfolio Option occurs. This may adversely affect the yield to maturity on the Notes. In addition, following the exercise of the Portfolio Option and the application of the Option Purchase Price, the Class Z Notes shall be cancelled and no more interest or principal payments will be made on the Class Z Notes by the Issuer.

Ratings of the Notes

A rating is not a recommendation to buy, sell or hold securities and there is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any one or more of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. At any time, a Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to the Rated Notes may be lowered or withdrawn. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Rated Notes. The ratings of the Class C Notes, the Class D Notes and the Class E Notes do not address the likelihood of receipt of any amount in respect of Additional Note Payments. The Class Z Notes will not be rated by the Rating Agencies.

Agencies other than the Rating Agencies could seek to rate the Notes and if such "unsolicited ratings" are lower than the comparable ratings assigned to the Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "ratings" or "rating" in this Prospectus is to the ratings assigned by the specified Rating Agencies only.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant

credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

Ratings confirmation in relation to the Rated Notes in respect of certain actions

The terms of certain Transaction Documents require the Rating Agencies to be notified in relation to certain actions proposed to be taken by the Issuer and the Trustee and such actions will only be effective to the extent there has been no reduction, qualification or withdrawal by the Rating Agencies of the then current rating of the Rated Notes (a "**Ratings Confirmation**").

A Ratings Confirmation that any action proposed to be taken by the Issuer or the Trustee will not have an adverse effect on the then current rating of the Notes does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or not prejudicial to, Noteholders. While entitled to have regard to the fact that the Rating Agencies have confirmed that the then current rating of the relevant class of the Rated Notes would not be adversely affected, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Secured Creditors (including the Noteholders), the Issuer, the Co-Arrangers, the Joint Lead Managers, the Trustee or any other person or create any legal relationship between the Rating Agencies and the Secured Creditors (including the Noteholders), the Issuer, the Co-Arrangers, the Joint Lead Managers, the Trustee or any other person whether by way of contract or otherwise.

Any such Ratings Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a Ratings Confirmation in the time available or at all, and the Rating Agency is likely to state that it is not responsible for the consequences thereof. A Ratings Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the Closing Date. A Ratings Confirmation represents only a restatement of the opinions given as at the Closing Date and cannot be construed as advice for the benefit of any parties to the transaction.

Certain Rating Agencies have indicated that they will no longer provide Ratings Confirmations as a matter of policy. To the extent that a Ratings Confirmation cannot be obtained, whether or not a proposed action will ultimately take place will be determined in accordance with the provisions of the relevant Transaction Documents and specifically the relevant modification and waiver provisions.

Absence of secondary market for the Notes

There can be no assurance that there is an active and liquid market for the Notes and no assurance is provided that a secondary market for the Notes will exist as at the date of this Prospectus or in the future, in particular as a result of any restructuring of sovereign debt by countries in the Eurozone. Any investor in the Notes must be prepared to hold its Notes for an indefinite period of time or until the Final Maturity Date or alternatively such investor may only be able to sell its Notes at a discount to the original purchase price of those Notes.

The secondary market for mortgage-backed securities has in the past experienced significant disruptions resulting from reduced investor demand for such securities. If limited liquidity were to occur in the secondary market it could have a material adverse effect on the market value of mortgage-backed securities including the Notes issued by the Issuer, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. It is not known whether such market conditions will recur.

Whilst central bank schemes such as the European Central Bank liquidity scheme provide an important source of liquidity in respect of eligible securities, such as mortgage-backed securities, the eligibility criteria have become and may continue to become more restrictive, which is likely to adversely impact secondary market liquidity for mortgage-backed securities in general, regardless of whether the Notes are eligible securities for the purpose of such facilities.

In addition, potential investors should be aware that global markets have had numerous set-backs in recent years, and uncertainty is continuing in many parts of the global markets. This could affect secondary market for instruments similar to the Notes. In particular, at the date of this Prospectus, there are challenges not only for the Irish economy, but also some other European countries, which are in discussions with other countries in the Eurozone and with the International Monetary Fund and other creditors for financial assistance. A number of them are either in the process of establishing, or have already established and are implementing, austerity programmes. It is unclear what the effect of these discussions would be on the Eurozone or the Irish economy. This uncertainty may have implications for the liquidity of the Notes in the secondary market.

No additional sources of funds after the Step-Up Date

On and from the Step-Up Date, the Step-Up Margin will be payable in respect of the Rated Notes and Additional Note Payments will be payable in respect of the Class C Notes, the Class D Notes and the Class E Notes. There will, however, be no additional receipts or other sources of funds available to the Issuer at such time, nor is it expected that any of the sources of income available to the Issuer prior to the Step-Up Date will be increased. In such circumstances, the Issuer may not have sufficient funds to pay all amounts of interest (including any Step-Up Margin on the Rated Notes) or any Additional Note Payments.

Furthermore, if on the Portfolio Option Call Date and each Interest Payment Date thereafter, the Rated Notes remain outstanding and have not been redeemed, on each Interest Payment date following the Portfolio Option Call Date the balance of Available Revenue Receipts following application in accordance with (a) to (t) of the Pre-Enforcement Revenue Priority of Payments will be applied as Available Principal Receipts until the principal amount outstanding of the Notes has been reduced to zero. In such circumstances, there will be no payments of interest on the Class Z Notes.

Rights of Noteholders and Secured Creditors

Conflict between Noteholders

The Trust Deed and the Deed of Charge contain provisions requiring the Trustee to have regard to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class Z Noteholders equally as regards all powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise).

If, in the opinion of the Trustee, there is a conflict between the interests of holders of different classes of Notes, the Trustee will have regard only to the interests of the holders of the Most Senior Class.

Conflict between Noteholders and other Secured Creditors

The Trust Deed provides that the Trustee shall, except where expressly provided otherwise and prior to the redemption in full of the Notes, have regard solely to the interests of the Noteholders and shall have regard to the interests of the other Secured Creditors only to ensure the application of the Issuer's funds after the delivery of an Enforcement Notice in accordance with the Post-Enforcement Priority of Payments.

Bank of Ireland, on the Closing Date, will retain not less than 5 per cent. of the nominal value of each tranche of Notes sold or transferred to Investors (see "*Subscription and Sale*" below). The definition of "outstanding" in Condition 2.1 sets out, amongst other things, certain circumstances where the Notes (if any) which are for the time being held by or on behalf of or for Bank of Ireland or any holding company of Bank of Ireland or any other subsidiary of such holding company shall (unless and until ceasing to be so held) be deemed not to remain outstanding for certain purposes including:

- (a) the right to attend and vote at a meeting of Noteholders and for the purposes of making Written Resolutions,
- (b) the removal or replacement of the Trustee;

- (c) the determination of how many and which Notes are for the time being outstanding for the purposes of certain clauses of the Trust Deed, certain Conditions and the Provisions for Meetings of Noteholders (as defined in Condition 2.1);
- (d) any discretion, power or authority which the Trustee is required to exercise in or by reference to the interests of the Noteholders; and
- (e) any right, discretion, power or authority which the Class Z Noteholder is entitled to exercise, including for the avoidance of doubt the Portfolio Option and the right to direct the termination of the appointment of the Administrator,

except that in respect of any meeting for Noteholders to consider the removal or replacement of the Trustee, any Note of a relevant Class held by a Relevant Person shall be deemed to be outstanding for the purposes of such vote if one or more Relevant Persons holds, in aggregate, more than 50 per cent. of the Principal Amount Outstanding of the Notes of such Class. Relevant Person for these purposes means Bank of Ireland and any holding company of Bank of Ireland or any other subsidiary of such holding company.

The Seller acts in various capacities in the Transaction, including as the Administrator and Collection Account Bank. Actual or potential conflicts may arise between the interests of such entities and the interests of the Issuer and the Noteholders.

Class Z Noteholder Rights

Where significant concentrations of holdings of the Class Z Notes occur, any investor holding such concentration may have sufficient holdings to (i) pass an Extraordinary Resolution directing the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) to terminate the appointment of the Administrator; or (ii) be treated as an Option Holder in possession of the right to require the Issuer to sell and transfer to it or to a third party all Mortgage Loans and Related Security in the Mortgage Portfolio, as more fully described in the section "*Early Redemption of the Rated Notes*" below.

Any Class Z Noteholder that does not have a sufficient holding of Class Z Notes to pass an Extraordinary Resolution or to constitute an Option Holder will not have any right to direct the termination of the appointment of the Administrator, to exercise the Portfolio Option or any right to prevent the exercise of such rights by other Class Z Noteholders.

Any such Extraordinary Resolution of the Class Z Noteholder shall be binding on holders of all other classes and would override any resolutions to the contrary of holders of any other classes of Notes.

There is also no guarantee that the Option Purchase Price paid by the Option Holder in respect of the exercise of the Portfolio Option and transfer of all Mortgage Loans and Related Security to it will reflect market value. This may result in the Class Z Noteholders receiving repayments of principal at the time of sale below expectations based on market value.

The Mortgage Loans

Title of the Issuer

The sale of the Mortgage Loans and their Related Security will take effect in equity only. Save in the limited circumstances described below under "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*" (such as, *inter alia*, where an Enforcement Notice (as defined in "*Terms and Conditions of the Notes*" below) has been given), neither the Issuer nor the Trustee will obtain legal title to the Mortgage Loans and their Related Security by effecting any registration of their interests in the Mortgage Loans and Related Security and by giving notice of assignment to the Borrowers.

Prior to the Issuer or the Trustee obtaining legal title to the Mortgage Loans and their Related Security (as described above), the rights of the Issuer and the Trustee may be or may become subject to equities (e.g. rights of

set-off between the Borrowers or insurance companies and the Legal Title Holders (as discussed below)) and to the interests of third parties who perfect a legal interest, namely, a bona fide purchaser for value from a Legal Title Holder of any such Mortgage Loan without notice of any interest of the Issuer or the Trustee, who may obtain a good title to the Mortgage Loans and Related Security free of any such interests. Such equities and third party rights may diminish or negate the value of the Issuer's or Trustee's interest in the Mortgage Loans and their Related Security and could acquire priority over the interests of the Issuer and the Trustee. If this occurred, then the Issuer would not have good title to the affected Mortgage Loan and its Related Security and it would not be entitled to payments by a Borrower in respect of that Mortgage Loan.

Borrowers will also have the right to redeem their Mortgages by repaying the Mortgage Loan directly to the relevant Legal Title Holder. However, the Seller will undertake, pursuant to the Mortgage Sale Agreement, to hold any money repaid to it in respect of Mortgage Loans to the order of the Issuer.

In addition, the Seller is under a contractual obligation to transfer all payments received in relation to the Mortgage Loans to the Collection Accounts to the Deposit Account by the next Business Day after the Daily Mortgage Loan Amount is identified as received in the Collection Accounts. On or about the Closing Date, the Seller and BOIMB will each declare a trust over their interests in the Collection Accounts, (the "**Collection Account Declarations of Trust**") in favour of, inter alios, the Issuer and each of them (in its capacity as a beneficiary) absolutely as beneficial tenants in common. The Issuer's share of the trust will be an amount equal to the collections received in the relevant Collection Account in respect of the Mortgage Loans beneficially owned by it.

Also, for so long as neither the Issuer nor the Trustee has obtained legal title, it must join the relevant Legal Title Holder as a party to any legal proceedings which it may wish to take against any Borrower to enforce its rights under the relevant Mortgage Loan and its Related Security. In this respect, the Seller will, pursuant to the Mortgage Sale Agreement, undertake for the benefit of the Issuer and the Trustee that it will and will procure that BOIMB (if applicable) will lend its name to, and take such steps as may reasonably be required by the Issuer or the Trustee in relation to, any legal proceedings in respect of the Mortgage Loans and their Related Security.

In accordance with the Central Bank Act 1997 (as amended by the CSA 2018), legal title to the Mortgage Loans will need to be held at all times by an authorised entity and could not therefore be transferred to the Issuer or the Trustee unless the Issuer or the Trustee (as appropriate) has obtained the appropriate authorisations.

Variation of terms of Mortgage Loans

Although as between the Seller and the Issuer, the Seller has agreed under the Mortgage Sale Agreement that it will not vary any of the terms of the Mortgage Loans or their Related Security, the Seller may in its capacity as Administrator under the Administration Agreement vary certain terms in certain circumstances as set out in the Administration Agreement. As between any Borrower and the Issuer, if the Administrator were to modify the terms of the Mortgage Loans and their Related Security the revised terms would apply and the Issuer would only have recourse against the Seller in its capacity as Administrator for breach of contract or breach of trust. The Administrator also has certain flexibility to agree Product Switches in respect of the Mortgage Loans and this may impact on the make-up, value and payments received by the Issuer in respect of the Mortgage Portfolio and the ability of the Issuer to make payments of interest and principal on the Notes.

Set off risk may adversely affect the value of the Mortgage Portfolio or any part thereof

As described above, the sale by the Seller to the Issuer of the Mortgage Loans will be effected by an assignment. As a result, legal title to the Mortgage Loans and their Related Security sold by the Seller to the Issuer will remain with the relevant Legal Title Holder until the occurrence of certain trigger events under the terms of the Mortgage Sale Agreement.

Therefore, the rights of the Issuer and the Trustee may be or may become subject to the direct rights of the Borrowers against the relevant Legal Title Holder. Such rights may include rights of set-off existing prior to notification to the Borrowers of the sale of the Mortgage Loans and their Related Security, which arise in relation to transactions made between certain Borrowers and the relevant Legal Title Holder (for example, the lodgement of moneys by certain Borrowers in deposit accounts with the Seller) and the rights of Borrowers to redeem their

mortgages by repaying the relevant Mortgage Loan directly to the relevant Legal Title Holder. These rights may result in the Issuer receiving a lesser amount than anticipated from the Mortgage Loans and their Related Security.

Further, there is a risk that the service of a notice of sale to a Borrower would not terminate his rights of set-off, as Section 40 of the Consumer Credit Act 1995 provides that where a creditor's or owner's rights under an agreement are assigned to a third person, the consumer is entitled to plead against the third person any defence which was available to him against the original creditor, including set-off.

Income and Principal Deficiency

If, on any Interest Payment Date, there is a Senior Revenue Shortfall as a result of shortfalls in Available Revenue Receipts (excluding items (c) and any Available Principal Receipts applied to remedy a Remaining Senior Revenue Shortfall pursuant to item (e) of the definition thereof) relative to amounts due and payable pursuant to items (a) to (d) of the Pre-Enforcement Revenue Priority of Payments, then subject to certain conditions set out in "*Key Structural Features*", the Issuer may apply amounts standing to the credit of the Senior Reserve Fund to meet such Senior Revenue Shortfall.

If, following application of amounts standing to the credit of the Senior Reserve Fund, there is a Remaining Senior Revenue Shortfall, then the Issuer may apply Available Principal Receipts to meet such Remaining Senior Revenue Shortfall. In this event, the consequences set out in the following paragraph may result.

Application, as described above, of any Available Principal Receipts to meet any Remaining Senior Revenue Shortfall (in addition to any Losses and other amounts to be recorded as debit entries on the Principal Deficiency Ledger as described in "*Key Structural Features – Principal Deficiency Ledger*") will be recorded first on the Class Z Principal Deficiency Sub-Ledger until the debit balance of the Class Z Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class Z Notes then outstanding and then on the Class E Principal Deficiency Sub-Ledger until the debit balance of the Class E Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class E Notes then outstanding, then on the Class D Principal Deficiency Sub-Ledger until the debit balance of the Class D Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class D Notes then outstanding, then on the Class C Principal Deficiency Sub-Ledger until the debit balance of the Class C Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class C Notes then outstanding, then on the Class B Principal Deficiency Sub-Ledger until the debit balance of the Class B Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class B Notes then outstanding and then on the Class A Principal Deficiency Sub-Ledger until the debit balance of the Class A Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class A Notes then outstanding.

If, on any Interest Payment Date, there is a Revenue Shortfall as a result of shortfalls in Available Revenue Receipts (other than items (d) and any Available Principal Receipts applied to remedy a Remaining Revenue Shortfall pursuant to item (e) of the definition thereof) relative to amounts due and payable pursuant to items (g) to (n) of the Pre-Enforcement Revenue Priority of Payments then the Issuer may apply amounts standing to the credit of the General Reserve Fund to meet such Revenue Shortfall.

If, on any Interest Payment Date after the Class A Notes have been redeemed in full or the Principal Amount Outstanding of each Class A Note is not greater than €1 or on any Interest Payment Date after the Class A Notes and the Class B Notes have been redeemed in full, and following application of amounts standing to the credit of Available Revenue Receipts and the General Reserve Fund, there is a Remaining Revenue Shortfall, then the Issuer may apply Available Principal Receipts to meet such Remaining Revenue Shortfall. In this event, the consequences set out in the following paragraph may result.

Application, as described above, of any Available Principal Receipts to meet any Remaining Revenue Shortfall (in addition to any Losses and other amounts to be recorded as debit entries on the Principal Deficiency Ledger as described in "*Key Structural Features – Principal Deficiency Ledger*") will be recorded first on the Class Z Principal Deficiency Sub-Ledger until the debit balance of the Class Z Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class Z Notes then outstanding and then on the Class E Principal Deficiency Sub-Ledger until the debit balance of the Class E Principal Deficiency Sub-Ledger is equal to the

aggregate Principal Amount Outstanding of the Class E Notes then outstanding, then on the Class D Principal Deficiency Sub-Ledger until the debit balance of the Class D Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class D Notes then outstanding, then on the Class C Principal Deficiency Sub-ledger until the debit balance of the Class C Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class C Notes then outstanding and then on the Class B Principal Deficiency Sub-ledger until the debit balance of the Class B Principal Deficiency Sub-Ledger is equal to the aggregate Principal Amount Outstanding of the Class B Notes then outstanding.

If there are insufficient funds to pay Additional Note Payments in respect of any Class of Notes, the Additional Note Payments in respect of such Class of Notes will not then fall due but will instead be deferred until the next Interest Payment Date or such earlier date as Additional Note Payments in respect of such Class of Notes becomes immediately due and payable in accordance with the Conditions and such deferral shall not constitute an Event of Default.

It is expected that during the course of the life of the Notes, principal deficiencies will be recouped from Available Revenue Receipts (other than items (c), (d) and (e) of the definition thereof) and amounts standing to the credit of the Senior Reserve Fund (in respect of the Class A Notes only) and the General Reserve Fund (in respect of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes). Available Revenue Receipts will be applied, after meeting prior ranking obligations as set out under the Pre-Enforcement Revenue Priority of Payments, to credit first, the Class A Principal Deficiency Sub-Ledger, second, the Class B Principal Deficiency Sub-Ledger, third, the Class C Principal Deficiency Sub-Ledger, fourth, the Class D Principal Deficiency Sub-Ledger, fifth, the Class E Principal Deficiency Sub-Ledger and sixth, the Class Z Principal Deficiency Sub-Ledger. Amounts standing to the credit of the General Reserve Fund will be applied, after meeting prior ranking obligations as further described in "*Key Structural Features*", first to credit the Class B Principal Deficiency Sub-Ledger, second, the Class C Principal Deficiency Sub-Ledger, third, the Class D Principal Deficiency Sub-Ledger and fourth, the Class E Principal Deficiency Sub-Ledger.

Amounts standing to the credit of the Senior Reserve Fund will be applied, after meeting prior ranking obligations as further described in "*Key Structural Features*" to the Class A Principal Deficiency Sub-Ledger only.

If there are insufficient funds available as a result of such income or principal deficiencies, then one or more of the following consequences may ensue:

- (a) the interest and other net income of the Issuer may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Notes;
- (b) the Issuer may have insufficient proceeds available to meet its obligations ranking senior to the Class Z Note Interest Amount, in which case the amount due in respect of the Class Z Note Interest Amount shall be zero; and
- (c) there may be insufficient funds to repay the Notes on or prior to the Final Maturity Date of the Notes unless the other net income of the Issuer is sufficient, after making other payments to be made in priority thereto, to reduce to nil the balance on the Principal Deficiency Ledger.

Selection of the Mortgage Portfolio

The information in the section headed "*Statistical Information on the Provisional Mortgage Portfolio*" has been extracted from the systems of the Seller as at the Cut-off Date. The Mortgage Portfolio will be selected from the Provisional Mortgage Portfolio comprising of 1,727 Mortgage Loans with a Current Balance of €377,293,144. The characteristics of the Mortgage Portfolio as at the Closing Date will vary from those set out in the tables in this Prospectus as a result of, *inter alia*, Mortgage Loans from the Provisional Mortgage Portfolio being excluded from the Mortgage Portfolio as a result of: (i) repayments and redemptions of Mortgage Loans prior to the Closing Date; and (ii) any Mortgage Loans that, at any time prior to the Closing Date, are found not to comply with the representations and warranties to be given with respect to the Mortgage Loans on the Closing Date.

Risks associated with non-owner occupied Properties

A Borrower's ability to service payment obligations in respect of a Mortgage Loan secured on a non-owner occupied property is likely to depend on the Borrower's ability to lease the Properties on appropriate terms. This dependency on leasing income increases the likelihood, during difficult market conditions that the rate of delinquencies and losses on Mortgage Loans secured by such non-owner occupied properties will be higher than for Mortgage Loans secured on the primary residence of a Borrower.

There can be no guarantee that each Property will be tenanted throughout the life of the Mortgage Loan, that the rental income achievable from the tenancies of the relevant Property will be sufficient to provide the Borrower with sufficient income to meet the Borrower's obligations in respect of the Mortgage Loan during the life of such Mortgage Loan, that the tenancies will be on market terms, that a tenant will always be able to pay their rent and that a Borrower will always respect the terms of such tenancy relating to the maintenance of the relevant Property. The obligations of a Borrower to make payments under a Mortgage Loan are without regard to whether the relevant Property is let and without regard to the amount of rent received from the relevant tenant; however, these factors may affect the Borrower's ability to satisfy its obligations under the Mortgage Loans.

Upon enforcement of a Mortgage Loan in respect of a property which is the subject of an existing tenancy, the Administrator may not be able to obtain vacant possession of that property, in which case the Administrator will only be able to sell the property as an investment property with one or more sitting tenants. This may affect (i) the amount that the Administrator could realise upon enforcement of the mortgage and a sale of the relevant property and (ii) the speed at which such a sale can be achieved. However, the Administrator will have the ability to appoint a receiver of rent to collect any rent payable in respect of such property and apply this in payment of any interest and arrears accruing under that Mortgage Loan. For further information see "*The Administrator – Arrears and Default Procedures*" below.

A Borrower may occupy a Property that is secured by a buy-to-let Mortgage Loan, thereby potentially converting the Property into a PDH, which may afford the Borrower with all of the protections available to Mortgages over PDHs (including without limitation The Code of Conduct on Mortgage Arrears (the "**Arrears Code**"), the Land and Conveyancing Law Reform Act 2009 (as amended) (the "**2009 Act**") and other recent regulatory proposals in respect of enforcement of Mortgages over PDHs. Furthermore, the Arrears Code will also apply where the Property is the only residential property in Ireland owned by the Borrower. See further "*Certain Regulatory Considerations - Enforcement in respect of the Mortgage Loans*" below.

Interest-only Mortgage Loans

Approximately 11.38 per cent. by value of the Mortgage Loans in the Provisional Mortgage Portfolio constitute interest only Mortgage Loans. Certain interest only Mortgage Loans are originated with a requirement that the borrower pay scheduled interest payments only. There is no scheduled amortisation of principal. Consequently, upon the maturity of such interest-only Mortgage Loans, the Borrower will be required to make a "bullet" payment that will represent the entirety of the principal amount outstanding.

Alternatively, a Mortgage Loan may be originated with an initial interest-only period meaning that there is no scheduled amortisation of principal for the duration of the interest-only period.

The ability of such a Borrower to repay an interest only Mortgage Loan at maturity frequently may depend on such Borrower's ability to sell the property, refinance the Property or obtain funds from another source such as individual savings accounts, a pension policy, personal equity plans or an endowment policy. Neither the Issuer, the Seller nor the Trustee have verified that the Borrower has any such other source of funds and none of them has obtained security over the Borrower's right in respect of any such other source of funds (albeit that, in certain circumstances, the relevant Original Lender may have taken an assignment by way of security over a life insurance policy). The ability of a Borrower to sell or refinance the Property will be affected by a number of factors, including the value of the Property, the Borrower's equity in the Property, the financial condition of the Borrower, tax laws and general economic conditions at the time. Moreover, the Mortgage Conditions in respect of Interest-only Mortgages do not require a Borrower to put in place alternative funding arrangements.

Interest-only Mortgage Loans may also result from alternative payment arrangements offered to Borrowers who are in arrears or pre-arrears. See further "*Code of Conduct on Mortgage Arrears and Consumer Protection Code*".

Should residential property values decline, Borrowers under the Mortgage Loans may have insufficient equity to refinance their Mortgage Loans with lenders other than the Seller or BOIMB and may have insufficient resources to pay amounts in respect of their loans as and when they fall due. This could lead to higher delinquency rates and losses on the Mortgage Portfolio, which in turn may adversely affect payments on the Notes.

Tracker Mortgages

The Central Bank has directed all mortgage lenders in the Irish market to conduct an examination as to whether they have complied with their contractual obligations and consumer protection regulations in dealings with customers with tracker mortgages (the "**Tracker Mortgage Examination**"). A tracker mortgage is a loan secured on a private dwelling house or a buy to let property where the interest rate is expressed to track a defined benchmark – usually the ECB main refinancing operations rate, or similar benchmark - or which has an option to convert to such mortgage. As part of the Tracker Mortgage Examination process, a number of tracker mortgages were identified that were impacted by the Tracker Mortgage Examination, and redress and compensation arrangements have been completed or are in progress with respect to such impacted tracker mortgages. The Mortgage Portfolio contains tracker mortgages however the Mortgage Portfolio does not contain any Mortgage Loans identified as impacted by the Tracker Mortgage Examination.

The Group is participating fully in the Tracker Mortgage Examination. The Group has undertaken the review required under the Tracker Mortgage Examination and provided the requisite report to the Central Bank on 30 September 2016. The Group has had further interaction thereafter with the Central Bank but the final response of the Central Bank is as yet unknown. The documentation and lending practices of a number of other lenders are also within the scope of the Tracker Mortgage Examination and the extent to which the outcome of the Central Bank's interaction with one or more lenders may impact the outcome in its interactions with other lenders is also as yet unknown. This may include different assessments to those applied by the Group in respect of the scope of the Tracker Mortgage Examination, the assessment undertaken and the information provided, the determination of impacted customers and the redress and compensation proposed.

As announced by the Central Bank in its update on the Tracker Mortgage Examination for April 2018, enforcement investigations under the Central Bank's administrative sanctions regime have commenced against six lenders, including the Group, in relation to tracker mortgage related issues. The Group is cooperating fully with the Central Bank in relation to the enforcement investigations. While the Group is engaging with the Central Bank in relation to the Tracker Mortgage Examination and the current enforcement investigations, the timing and nature of the ultimate conclusion of these matters and the potential implications for the Group's business are as yet unknown.

The Central Bank requires lenders to provide redress to impacted customers. That redress may include moving customers on to an appropriate rate of interest and/or paying compensation. If the Central Bank, as part of the Tracker Mortgage Examination process, determines that the relevant lender did not comply with applicable contractual obligations and consumer protection regulations, it may require the relevant lender to provide redress to impacted customers, which may include modifying an impacted mortgage loan to reflect an appropriate rate of interest and/or to reflect any compensation.

As part of the Tracker Mortgage Examination, the Central Bank required that lenders "stop the harm", including putting in place measures to ensure that steps in the legal process are not taken against potentially impacted customers. As a result, no enforcement action, except in certain limited circumstances, is being taken in respect of Mortgage Loans identified to be in scope and which have not yet been remediated. Although no such loans have been identified in the Mortgage Portfolio as at the date of this Prospectus, the same suspension of enforcement action arising out of the "stop the harm" requirement may apply to any Mortgage Loans identified as being so impacted in the future.

Under the terms of the Mortgage Sale Agreement, where the Seller is notified by the Issuer and/or the Administrator that any Mortgage Loan has become a Tracker Remediation Mortgage Loan within the Loan Warranty Period, the Seller will be required to either:

- (a) repurchase such Mortgage Loan and its Related Security (and any other Mortgage Loans secured or intended to be secured by that Related Security or any part of it) within 30 days (subject to any minimum notice periods to be given to Borrowers under the Consumer Protection Code, if applicable) of the day on which the Seller received the relevant notice or on such later date as the Issuer may direct in the relevant notice, in consideration of the payment by the Seller to the Issuer of the Repurchase Consideration; or
- (b) indemnify the Issuer on demand in respect of any losses that the Issuer suffers as a result of such Mortgage Loan becoming a Tracker Remediation Mortgage Loan.

Such repurchase or indemnification (whichever the Seller chooses) will be in full satisfaction of the liabilities of the Seller to the Issuer in respect of such Tracker Remediation Mortgage Loan.

Mortgage Loan Warranties

The Seller will give certain warranties to each of the Issuer and the Trustee regarding the Mortgage Loans and their Related Security to be sold to the Issuer on the Closing Date. See "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement – Mortgage Loan Warranties*" below for a summary of these.

The Issuer, the Trustee and the Joint Lead Managers have not undertaken nor will they undertake any investigations, searches or other actions in respect of the Mortgage Loans and their Related Security. In the case of the Issuer and the Trustee, they will rely instead on the warranties given by the Seller in the Mortgage Sale Agreement. Mortgage Loans which have undergone such a limited investigation or no investigation may be subject to matters which would have been revealed by a full investigation of title and which may have been remedied or, if incapable of remedy, may have resulted in the Related Security not being accepted as security for a Mortgage Loan had such matters been revealed.

If any Mortgage Loans are identified which may be in breach of Mortgage Loan Warranty (f), the Seller is required to use reasonable endeavours to promptly take all steps to remediate the issue in accordance with its policies and procedures and to the same extent as if the relevant Mortgage Loan(s) had not been sold by the Seller and had instead been retained by it. However, the Seller shall have no obligation to ensure that a relevant Property is subject to a valid, subsisting and first ranking legal mortgage where it can demonstrate to the Issuer and the Administrator that:

- (i) the security provided by the relevant Borrower over the relevant Property was never intended to be a first ranking legal mortgage and had been provided to the Seller by the Borrower as part of additional security arrangements in connection with an arrears resolution process; or
- (ii) the Seller or the Issuer has the benefit of a solicitor's undertaking in respect of the relevant Property and is continuing to rely on such undertaking,

(the "**Remediation Obligation**").

If the Seller is subject to the Remediation Obligation and fails to satisfy such Remediation Obligation within 6 months of the date of receipt of the notification of breach of Mortgage Loan Warranty (f), the Issuer shall be entitled to bring a claim for a breach of a Mortgage Loan Warranty provided that the Issuer may not bring any such claim in the circumstances outlined in (i) or (ii) above.

The sole remedy of each of the Issuer and the Trustee in respect of a breach of one or more of the Mortgage Loan Warranties (subject to certain minimum thresholds, monetary caps and time limits) shall be the requirement that the Seller either (at its sole option) repurchases any Mortgage Loan which is the subject of any such breach or indemnifies the Issuer against any loss suffered by reason of such breach. This shall not limit any other remedies

available to the Issuer and/or the Trustee if the Seller fails to repurchase a Mortgage Loan or indemnify the Issuer when obliged to do so.

There can be no assurance that the Seller will have the financial resources to honour its obligations to repurchase any Mortgage Loans in respect of which such a breach of warranty arises or to provide any such indemnities.

In addition, there are minimum claim thresholds, monetary caps and time limits on claims against the Seller in respect of breach of Mortgage Loan Warranties by the Seller. In particular, the maximum monetary cap (including the full amount of any Repurchase Consideration) of the Seller in respect of all claims for breach of Mortgage Loan Warranties with respect to an individual Mortgage Loan under the Mortgage Sale Agreement is calculated by reference to 95 per cent. of the Current Balance as at the Cut-Off Date of the Mortgage Loan (and not the full Current Balance).

The maximum aggregate monetary cap for claims payable by the Seller with respect to breach of Mortgage Loan Warranties (other than Essential Mortgage Loan Warranties, claims in respect of Tracker Remediation Mortgage Loans and exercise of a Right of Set Off) is 10 per cent. of 95 per cent. of the Current Balance as at the Cut-Off Date of the Mortgage Loans (and not the full Current Balance).

The maximum aggregate monetary cap for claims payable by the Seller with respect to any claim for breach of the Mortgage Loan Warranties (including Essential Mortgage Loan Warranties which are warranties in respect of, inter alia, the Seller and Legal Title Holders' title to the Mortgage Loans and the accuracy of the certain fields of the data tape) claims in respect of Tracker Remediation Mortgage Loans and exercise of a Right of Set Off is 100 per cent. of 95 per cent. of the Current Balance as at the Cut-Off Date of the Mortgage Loans (and not the full Current Balance).

In addition, the date on which the Seller was notified of or, if earlier, first became aware of a breach of an Essential Mortgage Loan Warranty must fall within the period from and including the Closing Date to and including the date that is three years from the Closing Date or, in respect of claims arising from a breach of a Non-Essential Mortgage Loan Warranty, the period from and including the Closing Date to and including the date that is two years from the Closing Date.

Therefore, there can be no assurance that the Issuer will be compensated in full for losses or liabilities incurred by the Issuer as a result of breach of the Mortgage Loan Warranties. See "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement – Exclusions and Limitations*" for further information.

The payment obligations of the Seller to the Issuer under the Mortgage Sale Agreement are not guaranteed by nor will they be responsibility of any person other than the Seller, and neither the Issuer nor the Trustee will have recourse to any other person in the event that the Seller, for whatever reason, fails to meet such obligations.

Administration and Third Party Risk

Issuer reliance on other third parties

The Issuer is also a party to contracts with a number of other third parties who have agreed to perform services in relation to the Notes. In particular, but without limitation, the Corporate Services Provider has agreed to provide certain corporate services to the Issuer and the Deposit Account Bank has agreed to provide the Deposit Account to the Issuer, the Administrator has agreed to service the Mortgage Portfolio, the Replacement Administrator Facilitator has agreed assist Issuer in appointing a replacement Administrator following the termination of the Administrator's appointment as Administrator, the Cash Manager has agreed to provide cash management services to the Issuer, the Paying Agents and the Registrar have agreed to provide certain agency services to the Issuer in connection with the Notes and the Interest Rate Cap Provider has agreed to provide interest rate hedging to the Issuer under the Interest Rate Cap Agreement. In the event that any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party, payments on the Notes may be adversely affected.

Investors should also be aware that there are third parties, on which the Issuer relies, that may be adversely impacted by the general economic climate and/or, depending on the terms of the exit of the UK from the EU, may become unable to perform their obligations resulting from changes in regulation, including the loss of existing regulatory rights to do cross-border business. Global markets have in recent times been negatively impacted by the then prevailing global credit market conditions as further described above in "*Absence of secondary market for the Notes*". If such conditions were to return or a third party were to lose its right to deliver services on a cross-border basis, these factors affecting transaction parties specifically, as well as market conditions generally, could adversely affect the performance of the Notes. In addition there can be no assurance that governmental or other actions would improve market conditions in the future should conditions deteriorate.

The Administrator

The Administrator will be appointed by the Issuer to administer the Mortgage Loans. In the event that the appointment of the Administrator as administrator is terminated in accordance with the provisions of the Administration Agreement, the Replacement Administrator Facilitator will use best efforts to identify on behalf of the Issuer and assist the Issuer in appointing a suitable replacement administrator, in accordance with the Administration Agreement.

If the appointment of the Administrator is terminated the collection of payments on the Mortgage Loans and the provision of the Administration Services could be disrupted during the transitional period in which the performance of the Administration Services is transferred to a replacement administrator. Any failure or delay in collection of payments on the relevant Mortgage Loans resulting from a disruption in the administration of the Mortgage Loans could ultimately adversely affect payments of interest and principal on the Notes. A failure or delay in the performance of the services, in particular reporting obligations, could affect the payments of interest and principal on the Notes.

There can be no assurance that a replacement administrator with sufficient experience of servicing the Mortgage Loans and their Related Security would be found who would be willing and able to service the Mortgage Loans and their Related Security on the terms, or substantially similar terms, set out in the Administration Agreement.

Further, it may be that the terms on which a replacement administrator may be appointed are substantially different from those set out in the Administration Agreement and the terms may be such that the Noteholders may be adversely affected. In addition, as described below, any replacement administrator will be required, *inter alia*, to be authorised under the Central Bank Act 1997, as amended by the Consumer Protection (Regulation of Credit Servicing Firms) Act 2015 (the "**CSA**") in order to service the Mortgage Loans and their Related Security. The ability of a replacement administrator to fully perform the required services would depend, among other things, on the information, software and records available at the time of the appointment. Any delay or inability to appoint a replacement administrator may affect payments on the Mortgage Loans and hence the Issuer's ability to make payments when due on the Notes. Such risk is mitigated by the provisions of the Administration Agreement pursuant to which the Replacement Administrator Facilitator, in certain circumstances, will assist the Issuer in appointing a replacement administrator.

The Administrator has no obligation itself to advance payments that Borrowers fail to make in a timely fashion.

Risk inherent in the Administrator's business

The Administrator's business depends on the ability of the Administrator to process a large number of transactions efficiently and accurately. Losses can result from inadequate or failed internal control processes and systems, human error, fraud or from external events that interrupt normal business operations. In the event that the Administrator fails to perform or observe all or any of its material obligations under the Administration Agreement to the extent which, taken in the aggregate with all other such failures, is materially prejudicial in the context of the transaction contemplated by the Transaction Documents, the Issuer may be required to appoint a replacement administrator. Depending on market circumstances, it may be difficult to appoint a replacement Administrator in such circumstances and the fees charged by any replacement administrator will be payable in priority to all other parties, with the exception of the Trustee and certain administrative costs of the Issuer.

Regulation of Credit Servicing Firms

Credit servicing of loans such as residential mortgage loans is a regulated activity under the Central Bank of Ireland Act 1997, as amended by the CSA (the "**CBA 1997**").

Under the Consumer Protection (Regulation of Credit Servicing Firms) Act 2018 (the "**CSA 2018**"), which came into force on 21 January 2019, significant amendments were made to the provisions of the CBA 1997 dealing with credit servicing. These amendments included an expansion of the scope of the definition of "credit servicing". Under the CBA 1997, "credit servicing" in respect of a credit agreement now means:

- (a) holding the legal title to credit granted under the credit agreement,
- (b) managing or administering the credit agreement, including:
 - (i) notifying the relevant borrower of matters required to be notified such as changes in interest rates or in payments due under the credit agreement or other matters of which the credit agreement requires the relevant borrower to be notified;
 - (ii) taking any necessary steps for the purposes of collecting or recovering payments due under the credit agreement for the relevant borrower;
 - (iii) managing or administering matters including any of the following:
 - (1) repayments under the credit agreement;
 - (2) any charges imposed on the relevant borrower under the credit agreement;
 - (3) any errors made in relation to the credit agreement;
 - (4) any complaints made by the relevant borrower;
 - (5) information or records relating to the relevant borrower in respect of the credit agreement;
 - (6) the process by which a relevant borrower's financial difficulties are addressed;
 - (7) any alternative arrangements for repayment or other restructuring;
 - (8) assessment of the relevant borrower's financial circumstances and ability to repay under the credit agreement;
 - (9) determination of the overall strategy for the management and administration of a portfolio of credit agreements;
 - (10) maintenance of control over key decisions relating to such portfolio
- or
- (c) communicating with the relevant borrower in respect of any of the matters referred to above.

A firm that carries on credit servicing must be authorised, or deemed authorised, as a "credit servicing firm" pursuant to the CBA 1997.

The Administrator is a regulated credit institution and accordingly is deemed to be authorised to service the Mortgage Portfolio under the CBA 1997.

The CSA 2018 provides a route for those carrying on the business of a "credit servicing firm" immediately before the coming into operation of the CSA 2018 and who are not regulated, to continue carrying on the business of a 'credit servicing firm' until the Central Bank has granted or refused authorisation to the person, provided that the person applies to the Central Bank for authorisation no later than 3 months after the Act being enacted and coming into operation.

Under the CBA 1997, as amended by the CSA 2018, the requirement to be authorised as a credit servicing firm would not apply to a securitisation special purpose entity to which any part of the interest of the owner of credit in the credit concerned is directly or indirectly assigned or otherwise disposed of, as part of a securitisation, where:

- (a) the securitisation special purpose entity was established by or on behalf of the owner of credit as part of the securitisation arranged by or on behalf of that owner of credit;
- (b) the owner of credit retains the legal title to the credit so assigned or otherwise disposed of; and
- (c) the originator, sponsor or original lender of the securitisation is required to retain on an ongoing basis a material net economic interest of not less than 5 per cent in the credit so assigned or otherwise disposed of.

For these purposes, "owner of credit" means:

- (a) a person who is authorised, or taken to be authorised (by virtue of being authorised under the current regime), to carry on the business of a credit servicing firm; or
- (b) a regulated financial services provider authorised, by the CBI or an authority that performs functions in an EEA country that are comparable to the functions performed by the CBI, to provide credit in the State.

To the extent that legal title to the Mortgage Loans in the Portfolio is held by the Legal Title Holders, the Issuer expects that it will come within the exemption described above and will not be required to be authorised as a credit servicing firm.

Furthermore, the Transaction Documents have been prepared on the basis that to the extent possible neither the Issuer nor any other parties to the Transaction Documents (other than the Administrator) conduct any activities which would be considered to be "credit servicing" activities and would require such parties to be authorised as a credit servicing firm.

However, the amendments to the CBA 1997 introduced by the CSA 2018 are untested. Furthermore it is not possible to predict what guidelines may be issued by the Central Bank in respect of the scope of the CBA 1997 as so amended, how the Central Bank may interpret elements of the definition of credit servicing or the effect and scope of the exemption provided for securitisation special purpose entities. If the Central Bank takes the view that the Issuer or any other party is carrying out "credit servicing" activities, the Issuer or such party could either seek the appropriate authorisations, or seek to amend the Transaction Documents accordingly. No assurance can be given that obtaining an authorisation (in particular by the Issuer) and amending the Transaction Documents would not adversely affect the Notes.

Furthermore, a replacement administrator must be authorised or deemed authorised as a credit servicing firm. This requirement may limit the number of potential replacement administrators and may make it more difficult or costly to find a replacement administrator if the appointment of the Administrator were terminated, which could adversely affect the timing or the amount of payments on the Notes.

The Trustee is not obliged to act in certain circumstances

The Trustee may, at any time, at its discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents as it may think fit to enforce the provisions of

the Notes or the Trust Documents (including the Conditions) or of the other Transaction Documents to which it is a party and at any time after the service of an Enforcement Notice, the Trustee may, at its discretion and without notice, take such proceedings, actions or steps as it may think fit to enforce the Security. However, the Trustee shall not be bound to take any such proceedings, actions or steps (including, but not limited to, the giving of an Enforcement Notice in accordance with Condition 13 (*Events of Default*)) unless it shall have been directed to do so by an Extraordinary Resolution of the Most Senior Class of Noteholders or in writing by the holders of at least 75 per cent. in Principal Amount Outstanding of the Most Senior Class of Notes then outstanding and it shall have been indemnified and/or secured and/or prefunded to its satisfaction. The Trustee shall not be required to take any action which the Trustee considers to be credit servicing for the purposes of the Central Bank Act 1997 or otherwise a regulated activity.

Change of counterparties

The parties to the Transaction Documents who receive and hold monies or provide support to the transaction pursuant to the terms of such documents (such as the Deposit Account Bank) are required to satisfy certain criteria in order to remain a counterparty to the Issuer.

These criteria may include requirements in relation to the short-term and long-term unguaranteed and unsecured ratings ascribed to such party by the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria detailed above, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the Issuer) may be required to be transferred to another entity which does satisfy the applicable criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the relevant Transaction Document and the cost to the Issuer may therefore increase. This may reduce amounts available to the Issuer to make payments of interest on the Notes.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may (but shall not be obliged to) agree to amend or waive certain of the terms of such document, including the applicable criteria, in order to avoid the need for a replacement entity to be appointed. The consent of Noteholders may not be required in relation to such amendments and/or waivers.

Certain material interests and potential for conflicts

The Co-Arrangers, the Joint Lead Managers, the Trustee and other parties to the transaction have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for the Issuer and the Seller in the ordinary course of business. Other parties to the transaction may also perform multiple roles. Accordingly, conflicts of interest may exist or may arise as a result of parties having previously engaged or in the future engaging in transactions with other parties, having multiple roles or carrying out other transactions for third parties. The parties to the transaction may, pursuant to the Transaction Documents, be replaced by one or more new parties. It cannot be excluded that such a new party could also have a potential conflicting interest, which might ultimately have a negative impact on the ability of the Issuer to perform its obligations in respect of the Notes.

The Mortgage Portfolio

Collectability of Mortgages

The collectability of amounts due under the Mortgage Loans is subject to credit, liquidity and interest rate risks and rental yield will generally fluctuate in response to, among other things, market interest rates, general economic conditions, the financial standing of Borrowers and other similar factors. Although interest rates are currently at a historical low, this may change in the future and an increase in interest rates may adversely affect Borrowers' ability to pay interest or repay principal on their Mortgage Loans. Other factors (which may not affect real estate values, such as Borrowers' personal or financial circumstances) may have an impact on the ability of Borrowers to repay Mortgage Loans. Loss of earnings, redundancy, illness, divorce, taxation of rental income, taxes and fees for which a Borrower may be liable and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers, or by creditors of Borrowers, and could ultimately have an adverse impact on the

ability of Borrowers to repay the Mortgage Loans. The level of protections afforded to Borrowers under the Arrears Code and the general legislative framework including, in particular, the provisions concerning personal insolvency arrangements in the Personal Insolvency Act 2012 (as amended) (the "**Personal Insolvency Act**") may result in a reduction in the amounts collected under the Mortgage Loans. See further "*Enforcement in respect of the Mortgage Loans*" and "*Code of Conduct on Mortgage Arrears and Consumer Protection Code*".

In addition, the ability of the Borrower or, as the case may be, the Issuer or the Trustee to dispose of a Property given as security for a Mortgage Loan at a price sufficient to repay the amounts outstanding under the relevant Mortgage Loan will depend upon a number of factors including the availability of buyers for the Property, the value of the Property and property values in general at the time.

If a Borrower fails to repay its Mortgage Loan and the related Property is repossessed, the likelihood of there being a net loss on disposal of the Property is increased by a higher "loan to value" ratio.

In order to enforce a power of sale in respect of a Property, the relevant mortgagee (which may be the Seller or BOIMB, the Issuer or the Trustee) must first obtain possession of the Property unless the Property is vacant. Possession is usually obtained by way of a court order although this can be a lengthy process and the mortgagee must assume certain risks if it goes into possession of a Property. It may be possible for a mortgagee to obtain possession of residential buy-to-let properties without a court order in certain circumstances. See further "*Enforcement in respect of the Mortgage Loans*". Obtaining possession of a Property could be a costly and lengthy process and the ability of the Issuer to make payments on the Notes may be reduced as a result.

The Trustee is entitled to be indemnified and/or secured and/or prefunded to its satisfaction against personal liabilities which it could incur if it were to become a mortgagee in possession before it is obliged to seek possession, provided that the Trustee is never obliged to enter into possession of the Property.

Risks associated with rising mortgage rates

The Mortgage Portfolio will include Mortgage Loans subject to variable rates of interest set by the Administrator in accordance with the Administrator Policies (the "**Variable Rates**") or set by reference to the ECB Rate (the "**Tracker Rates**") from time to time. The Variable Rates and Tracker Rates are subject to fluctuation and consequently the Issuer could be subject to a higher risk of default in payment by a Borrower under such Mortgage Loans as a result of an increase in the Variable Rates or Tracker Rates.

Borrowers with a Mortgage Loan subject to a variable rate of interest will be exposed to increased monthly payments if the related mortgage interest rate adjusts upward. Any increase in the Variable Rates or the Tracker Rates would increase the possibility of loan defaults.

These events, alone or in combination, may contribute to higher delinquency rates and losses on the Mortgage Portfolio, which in turn may affect the ability of the Issuer to make payments of interest and principal on the Notes.

Declining property values

The value of the Related Security in respect of the Mortgage Loans may be affected by, among other things, a decline in the residential property values in Ireland. If the residential property market in Ireland should experience an overall decline in property values, such a decline could in certain circumstances result in the value of the Related Security being significantly reduced and, in the event that the Related Security is required to be enforced, may result in an adverse effect on payments on the Notes.

The Issuer cannot guarantee that the value of a Property will remain at least at the same level as on the date of origination of the related Mortgage Loan or on the Closing Date. The residential property market in Ireland experienced a severe decline in property values between 2007 and March 2013 from which residential property prices are still recovering. If the residential property market in Ireland should experience another decline in property values, such a decline could result in the value of the Related Security being significantly reduced and in the event that the Related Security is required to be enforced, may result in the net recovery proceeds being

insufficient to redeem the outstanding Mortgage Loans, which could have an adverse effect on payment on the Notes.

Economic conditions in the Eurozone and UK Referendum on membership of the EU

A deterioration in economic, financial and political conditions in the Eurozone, including as a result of the United Kingdom's decision to leave the European Union and any associated credit rating agency action, or any default or restructuring of indebtedness by one or more states of the European Union (each a "**Member State**") or institutions and/or any changes to, including any break up of, the Eurozone, may cause stress in the financial system generally and/or may adversely affect the Issuer, one or more of the other parties to the Transaction Documents and/or any Borrower in respect of the Mortgage Loans.

There is uncertainty regarding the conditions under which the United Kingdom will exit the European Union and the terms that will govern the new economic and trading relationships between the United Kingdom and the European Union (including Ireland) following exit. No assurance can be given that the United Kingdom's exit from the European Union will not have an adverse effect on or on the ability of the Issuer to make payments under the Notes.

No assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the rights of the Noteholders, the market value of the Notes and/or Irish economic conditions and the ability of the Issuer to satisfy its obligations under the Notes.

The Economic Environment in Ireland

The Irish economy has recovered from the severe recession it experienced towards the end of the last decade. As part of an EU/IMF financial aid programme negotiated in November 2010, the Irish government committed to reducing the budget deficit to below 3 per cent of GDP by 2015 through a combination of public expenditure reductions and tax increases (Source: Department of Finance Statement, 28 November 2010). Ireland exited this programme in December 2013. GDP increased each year from 2014 to 2017, with growth of 8.8% in 2014; 25.1% in 2015; 5.0% in 2016 and 7.2% in 2017; and is expected to have grown by 6.8% in 2018 (Source: Central Statistics Office ("**CSO**") Quarterly National Accounts Q3 2018 and Bank of Ireland Economic Research Unit, February 2019).

The Irish residential property market suffered a very significant downturn during the period 2007 to 2013, with property prices falling by 55.2% from their peak. Property prices have since recovered, increasing by 17.9% in 2014, 7.1% in 2015, 9.0% in 2016, 12.1% in 2017 and by 7.1% in the twelve months to November 2018 (Source: CSO Residential Property Price Index: Annual Change December to December).

The number of mortgage accounts for PDHs in arrears continues to fall. In Q3 2018, 8.9% of total accounts were in arrears, down from 9.2% in Q2 2018. Accounts in arrears over 90 days fell for a 20th consecutive quarter in Q3 2018 to 6.2%, while 14.7% of buy-to-let mortgage accounts were in arrears over 90 days in Q3 2018 (Source: Central Bank of Ireland Statistical Release 19 December 2018).

The unemployment rate in Ireland has peaked at 16% in early 2012 and has fallen to 5.6% (seasonally adjusted), in December 2018 (Source: CSO Monthly Unemployment December 2018).

There can be no assurance that the current relatively favourable economic conditions in Ireland will continue. Ireland has an open economy which could be adversely affected by deterioration in external economic conditions or an external economic shock. For example, the exit of the United Kingdom from the European Union could, in certain circumstances, have a disproportionately negative effect on the Irish economy. No assurance can be given that any such external deterioration or shock would not adversely affect the Irish economy, the ability of Borrowers to make payments on their Mortgage Loans, residential property values in Ireland and/or the Issuer's ability to make payments on the Notes.

Please also see "*Economic conditions in the Eurozone and UK Referendum on membership of the EU*".

Geographic Concentration Risks

Mortgage Loans in the Mortgage Portfolio may also be subject to geographic concentration risks within certain regions of Ireland. To the extent that specific geographic regions within Ireland have experienced or may experience in the future weaker regional economic conditions and residential property markets than other regions in Ireland, a concentration of the Mortgage Loans in such a region may be expected to exacerbate the risks relating to the Mortgage Loans described in this section. Certain geographic regions within Ireland rely on different types of industries. Any downturn in a local economy or particular industry may adversely affect the regional employment levels and consequently the repayment ability of the Borrowers in that region or the region that relies most heavily on that industry. Any natural disasters in a particular region may reduce the value of affected Properties. This may result in a loss being incurred upon sale of the Property. These circumstances could affect receipts on the Mortgage Loans and ultimately result in losses on the Notes. For an overview of the geographical distribution of the Mortgage Loans as at the Cut-off Date, see "*Characteristics of the Mortgage Portfolio — Geographical Distribution of Property*".

Buildings insurance

The practice of the Seller in relation to buildings insurance is described under the section entitled "*The Mortgage Portfolio — The Mortgage Loans – Insurance Policies*" below. A borrower may make his own insurance arrangements in relation to any Mortgage, or where such arrangements are dictated by the existence of a lease, the Administrator will have taken all reasonable steps to ensure that the relevant Property is insured under a policy, however, the Seller cannot be certain that a borrower has maintained such building insurance or that any such cover would be sufficient to cover any loss and/or that the Seller's interest has been advised to the insurer. No assurance can therefore be given that the Issuer will always receive the benefit of any claims made under any applicable buildings insurance contracts. This could adversely affect the Issuer's ability to redeem the Notes.

Lending Criteria

The Lending Criteria will have applied at the time of approval in respect of the Mortgage Loans comprising the Mortgage Portfolio. The criteria consider, among other things, a Borrower's credit history and loan to value ratio, as well as the value of the relevant property. See "*The Mortgage Portfolio*" section below.

Risks relating to the Issuer

Preferred Creditors under Irish Law

Under Irish law, if a liquidator or a receiver is appointed to an Irish company such as the Issuer, the claims of a limited category of preferential creditors will take priority over the claims of unsecured creditors and holders of floating security. These preferred claims include taxes, such as income tax and corporation tax payable before the date of appointment of the liquidator or receiver and arrears of VAT, together with accrued interest thereon. For the circumstances in which fixed security granted by the Issuer may take effect as floating security see "*Fixed Charges may take effect as Floating Charges*" below.

Under Irish law, upon an insolvency of an Irish company such as the Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company which have been approved by the Irish courts. See "*Examinership*" below.

The holder of a fixed security over the book debts of an Irish incorporated company (which would include the Issuer) may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those which the holder received in payment of debts due to it by the company. Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of the Irish Revenue Commissioners' notice to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company (or any person who is liable to pay, remit or account for tax to the Irish Revenue Commissioners) by another person in order to discharge any liabilities of the company in respect of outstanding tax (whether Irish, EU, or pursuant to a treaty or mutual assistance agreement) whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

Capital Gains Tax on a Sale of the Issuer's assets

In relation to the disposal of assets of any Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable out of the proceeds of such disposal for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

In relation to the disposal of assets of an Irish tax resident individual which are subject to security, such as the disposal of a property on which the borrower has secured a Mortgage Loan, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the individual on a disposal of those assets on exercise of the security. Capital gains tax will arise on the gain at a rate which is currently 33 per cent. Tax is calculated by reference to the excess of the net disposal proceeds over the allowable acquisition costs (including enhancement expenditure) and is calculated without reference to the amounts outstanding on a Mortgage Loan. There is an exemption from Irish capital gains tax on gains arising on the disposal by an individual of his principal private residence, which broadly covers gains arising on the disposal of the dwelling house which has been occupied by the individual as his only or main residence since he acquired the property.

However, such tax liability will only occur where, as part of enforcement proceedings, a capital gain is realised on the disposal of a Property. In addition, this tax liability is most likely to arise in circumstances where (i) a Borrower originally acquired a Property with finance provided by a third party and subsequently refinanced such acquisition with a Mortgage Loan, or (ii) the Seller has provided a further advance to an existing Mortgage Loan, in each case in circumstances where the value of the Property has increased from the date of its original acquisition.

Examinership

Examinership is a court procedure available under the Companies Act 2014 (as amended) (the "**Companies Act**") to facilitate the survival of Irish companies in financial difficulties.

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 Irish High Court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection (which is for an initial period of 70 days and may be extended to 100 days), the examiner will compile proposals for a compromise or scheme or 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 Irish High Court when at least one class of creditors whose interests or claims would be impaired by implementation of the proposals has voted in favour of the proposals and the Irish High 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 unduly prejudicial to the interests of any interested party.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Trustee represented the majority in number and value of claims within the secured creditor class (which would be likely given the restrictions agreed to by the Issuer in the Conditions), the Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Trustee

would also be entitled to argue at the Irish High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included a writing down to the value of amounts due by the Issuer to the Noteholders or resulted in Noteholders receiving less than they would have if the Issuer was wound up. The primary risks to the holders of Notes if an examiner were appointed to the Issuer are 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 as secured pursuant to the Deed of Charge;
- (b) the potential for the examiner to seek to set aside any negative pledge in the Notes 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 Creditors under the Deed of Charge.

Fixed Charges may take effect as Floating Charges

It is the essence of a fixed charge that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security. Dealing with the assets includes disposing of such assets or expending or appropriating the moneys or claims constituting such assets. Accordingly, if and to the extent that such liberty is given to the Issuer, any such fixed charge may instead operate as a floating charge.

In particular, the Irish courts have held that in order to create a fixed charge on receivables it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee.

Floating charges have certain weaknesses, including the following:

- (a) weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;
- (b) as discussed above, floating charges rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;
- (c) floating charges rank after certain insolvency remuneration expenses and liabilities;
- (d) the examiner of a company has certain rights to deal with the property covered by the floating charge; and
- (e) floating charges rank after fixed charges.

Centre of Main Interest

The Issuer has its registered office in Ireland. Under Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast), the Issuer's centre of main interest ("COMI") is presumed to be the place of its registered office (i.e. Ireland) in the absence of proof to the contrary and provided that the Issuer did not move its registered office within the 3 months prior to a request to open insolvency proceedings.

As the Issuer's COMI is presumed to be Ireland, any main insolvency proceedings in respect of the Issuer would fall within the jurisdiction of the courts of Ireland. As to what might constitute "*proof to the contrary*" regarding the location of a company's COMI, the key decision is that in *Re Eurofood IFSC Ltd* ([2004] 4 IR 370 (Irish High Court); [2006] IESC 41 (Irish Supreme Court); [2006] Ch 508; ECJ Case C-341/04 (European Court of Justice)), given in respect of the equivalent provision in the previous EU Insolvency Regulation (being Regulation (EC) No. 1346/2000). In that case, on a reference from the Irish Supreme Court, the European Court of Justice concluded that "*factors which are both objective and ascertainable by third parties*" would be needed to demonstrate that a company's actual situation is different from that which the location of its 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 retained an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut the presumption that its COMI is located in Ireland, 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 was found to be in another EU jurisdiction and not in Ireland, main insolvency proceedings would be opened in that jurisdiction instead.

Certain Regulatory Considerations

Changes or uncertainty in respect of EURIBOR may affect value of Notes and the payment of interest thereunder

Following highlighted vulnerabilities of benchmarks raising concerns about the appropriateness of the processes and methodologies used in determining interbank offered rates, the Euro Interbank Offered Rate ("**EURIBOR**") which is set by the European Money Markets Institute (the "**EMMI**") has been subject to review and various investigations to analyse how increasing loss of confidence in interbank offered rates, including EURIBOR, could be improved. Whilst no changes to the EURIBOR methodology are expected in the short term, the EMMI has stated that it remains committed to reforming the EURIBOR quote based methodology to anchor it in transactions and adapt it to the evolving market circumstances. Investors should be aware that actions by the EMMI, regulators or law enforcement agencies may affect EURIBOR (and/or determination or availability thereof) in unknown ways which could affect the determination of the rate of interest on the Floating Rate Notes and the value of the Floating Rate Notes. Furthermore, uncertainty with respect to EURIBOR may affect the liquidity of such Floating Rate Notes.

Legal considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor of the Notes should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

EU financial transaction tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's Proposal**"), for a financial transaction tax ("**FTT**") to be adopted in certain participating EU Member States (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (however, Estonia has since stated that it will not participate)). If the Commission's Proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which would include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the Commission's Proposal, the FTT would apply to persons both within and outside of the participating Member States. Generally, it would apply 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 financial transaction is issued in a participating Member State.

The FTT may give rise to tax liabilities for the Issuer with respect to certain transactions (including concluding swap transactions and/or purchases or sales of securities (such as authorised investments)) if it is adopted based on the Commission's Proposal. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in investors receiving less interest or principal than expected. To the extent that such liabilities may arise at a time when winding up proceedings have been commenced in respect of the Issuer, such liabilities may be regarded as an expense of the liquidation and, as such, be payable out of the floating charge assets of the Issuer (and its general estate) in priority to the claims of Noteholders and other secured creditors. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's Proposal. Under the Commission's Proposal, primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

The FTT proposal remains subject to further negotiations between participating Member States and accordingly, the date of implementation of the FTT remains uncertain. Additional Member States may also decide to participate in the FTT. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on their investment.

Bank Recovery and Resolution Directive

The Bank Recovery and Resolution Directive ("**BRRD**") was formally adopted by EU council on 6 May 2014. The BRRD provides rules on insolvency proceedings in the case of failing banks with the aim of safeguarding financial stability and preventing public funding of losses as much as possible. It also establishes national resolution funds, financed by bank levies for the countries not part of banking union.

The BRRD was transposed into Irish law on 15 July 2015 by the European Union (Bank Recovery and Resolution) Regulations 2015 (the "**BRRRs**"). The BRRRs apply to all credit institutions authorised in the State and confer key functions on the Central Bank as the competent authority and the resolution authority in Ireland.

The BRRRs establish a range of instruments to tackle potential bank crises at three stages: preparatory and preventative, early intervention, and resolution. Key elements include:

- (a) preparatory and preventative measures – all banks have to prepare and regularly update a recovery plan setting out the measures to be taken in times of distress in order to restore the institution to its original financial position. The Central Bank as the resolution authority must prepare a resolution plan setting out the proposed steps to be taken to deal with a bank that meets the conditions for resolution stipulated in the BRRRs;
- (b) early intervention measures – the BRRRs provide for early intervention by the Central Bank as the competent authority where a bank's financial condition is deteriorating. Powers of intervention granted to the competent authority include; to require a failing bank to implement its recovery plan, to direct the bank to identify problems and draw up an action programme, to direct the bank draw up a plan for negotiation on restructuring of debt with one or more of its creditors and to carry out on-site inspections;
- (c) resolution measures – in addition to the early intervention powers, the BRRRs grant resolution tools and powers to the Central Bank to ensure that any failing bank can be restructured and resolved in a way which preserves financial stability and protects taxpayers. The tools available include the sale of business tool, the bridge institution tool, an asset separation tool and the bail-in tool. The bail-in tool enables the Central Bank to write-down the value of certain liabilities or convert them into equity in order to absorb losses and recapitalise the bank. Resolution powers granted to the Central Bank include powers to suspend contractual payments, restrict the enforcement of security and temporarily suspend termination rights;

- (d) financing fund – for the purpose of financing resolution arrangements, the BRRRs require Member States to establish a fund which is financed by the banks themselves on an annual basis and funded up to a level of 1 per cent. of the amount of covered deposits of all institutions in the State (the "**Fund**"). The BRRRs also empower the Central Bank to raise extraordinary ex-post contributions to the Fund where the available means of the Fund are not sufficient to cover losses, costs or other expenses incurred by the Fund; and
- (e) the resolution mechanisms under the BRRD correspond closely to those available to the Single Resolution Board (the "**SRB**") and the European Commission under the single resolution mechanism provided for in Regulation (EU) No 806/2014 (the "**SRM Regulation**"). The SRM Regulation applies to participating Member States (including Member States outside the Euro zone that voluntarily participate through a close co-operation agreement). In such jurisdictions, the SRB will take on many of the functions that would otherwise be assigned to national authorities in Member States ("**Resolution Authorities**") by the BRRD. If a Member State outside the Euro zone has chosen not to participate in the bank single supervisory mechanism, relevant institutions established in such Member State will not be subject to the SRM Regulation, but to the application of the BRRD by the Resolution Authorities. It is possible, on the specific facts of a case, that resolution plans and resolution decisions made by the SRB may differ from the resolution schemes that would have been applied by the Resolution Authorities. Therefore, the way in which a relevant institution is resolved and ultimately, the effect of any such resolution on the Issuer and the Noteholders may vary depending on the authority applying the resolution framework.

Enforcement in respect of the Mortgage Loans

Assuming that the Properties provide adequate security for the Mortgage Loans, delays could be encountered in connection with enforcement and recovery of the Mortgage Loans, resulting in corresponding delays in the receipt of related proceeds by the Issuer.

In order to enforce a power of sale in respect of a mortgaged property, the relevant mortgagee will first need to obtain possession of such property. There are two means of obtaining possession under Irish law: (i) by taking physical possession without a court order (seldom done in practice) and (ii) by applying for, obtaining and enforcing a court order for possession.

Under section 97 of the 2009 Act (which applies to mortgages created after 1 December 2009) a mortgagee (the lender) is required to either obtain a court order for possession or obtain the written consent of the mortgagor (in the case of each Mortgage Loan, the Borrower) to the taking of possession of a property that is mortgaged as security for a housing loan. For the purposes of the 2009 Act, a housing loan mortgage comes into existence where:

- (i) a person borrows money (for whatever reason) and provides, by way of security, a mortgage on that person's principal residence or the principal residence of that person's dependants; or
- (ii) monies are advanced to a consumer and security is provided over a residential property.

In this regard, a consumer is defined as a natural person acting outside of his/her business which includes trade or profession.

It may be possible for a mortgagee to obtain possession of residential buy-to-let properties without a court order where: (1) the relevant mortgages post-date the 2009 Act but do not fall within the definition of a housing loan mortgage set out above; or (2) where the relevant mortgages pre-date the 2009 Act. In these cases, a mortgagee may take possession of such buy-to-let properties where the mortgagee is entitled to possession under the terms of the mortgage, the property is vacant and the mortgagee is able to effect peaceful entry. In addition, the terms of the security over such residential buy-to-let properties may afford the mortgagee a power to appoint a receiver over the property. In practice appointment of a receiver is a more common enforcement mechanism for residential buy-to-let properties.

There may be further obstacles to obtaining vacant possession of a buy-to-let property in individual cases including where the occupants are not willing to peacefully vacate the premises or the enforcement of the mortgage in respect of the buy-to-let property is contested. In such circumstances, it may be necessary to make an application to the Irish courts to seek an order for possession or some other relief such as injunctive relief restraining interference with the mortgagee's right to possession of the secured property.

In addition, if the property is tenanted, any termination of a valid lease by the mortgagee would have to be carried out in accordance with the terms of the relevant lease and the applicable minimum notice requirements under the Residential Tenancies Act 2004. If vacant possession of the property cannot be obtained because of an existing tenancy, the mortgagee will only be able to sell the property as an investment property with one or more sitting tenants. This may affect the amount which the mortgagee could realise upon enforcement of the mortgage and the sale of the property. Enforcement procedures in relation to such mortgage loans include appointing a receiver of rent, in which case such a receiver must collect any rents payable in respect of the property and apply them in payment of any interest and arrears accruing under the mortgage loan. In such a situation, amounts received in rent may not be sufficient to cover all amounts due in respect of the mortgage loan.

In considering an application for a possession order, an Irish court has a very wide discretion. For example, an Irish court has certain powers to adjourn possession proceedings, to stay any possession order and to postpone the date for delivery of possession. In general, an Irish court would be likely to exercise such powers in favour of a Borrower where it appears to the court that such Borrower is likely to be able, within a reasonable period, to pay any sums due under his Mortgage Loan or to remedy any default consisting of a breach of any other obligation arising under or by virtue of such Mortgage Loan.

It should also be noted that a practice direction issued by the Irish Circuit Court pursuant to the Circuit Court Rules entitled '*Actions for Possession*' provides that no order for possession shall be made on the return date (i.e. the first hearing date) but rather the proceedings shall be adjourned to such later date as the County Registrar considers just in the circumstances. This has the effect of an automatic delay on possession proceedings. In practice, County Registrars are often more amenable to giving possession orders on vacant properties the subject of a buy to let mortgage than they are to giving possession orders in respect to mortgages relating to a principal private residence.

Where an order for possession is granted by a court, a sheriff will arrange for such orders to be effected. This can result in a delay of a number of months between the granting of the order and its execution. Once possession of a property has been obtained, the mortgagee has a duty to the mortgagor to take reasonable care to obtain a proper price for such property. Any failure to do so will put such mortgagee at risk of an action for breach of duty by the mortgagor, although it is for the mortgagor to prove breach of duty. There is also a risk that a mortgagor may take court action to force the mortgagee to sell the relevant property within a reasonable time. Under the 2009 Act, a mortgagee in possession is obliged by law to sell the relevant property, at the best price reasonably obtainable, within a reasonable time, or if it would be inappropriate to sell such property, to lease it within a reasonable time.

If a mortgagee takes possession of a property, it may, as mortgagee in possession and depending upon the terms of the relevant mortgage, have an obligation to account to the mortgagor for the income obtained from such property, be liable for any damage to such property, have an obligation to repair such property and, in certain circumstances, may be obliged to make improvements or may incur certain financial liabilities in respect of such property.

Under the Land and Conveyancing Law Reform Act 2013 (the "**2013 Act**") actions for possession relating to the principal private residence ("**PPR**") may in certain cases be adjourned where it is considered by the court that the matter could be resolved by recourse to a personal insolvency arrangement under the Personal Insolvency Act (see "Personal Insolvency Act" below). In the event that a lender does not implement a proposal put forward by a personal insolvency practitioner, a court could use its discretionary powers to delay granting an order for possession. As the Mortgage Portfolio is comprised of buy-to-let Mortgage Loans, it is unlikely that the Properties will constitute PPRs for the purposes of the 2013 Act.

Code of Conduct on Mortgage Arrears and Consumer Protection Code

The Arrears Code came in to force on 1 July 2013 replacing the previous code (which came into force on January 2011) and applies to arrears cases existing both as at 1 July 2013 and those that arise thereafter. The Arrears Code is a legally binding code published by the Central Bank on the handling of mortgage arrears and pre-arrears. A pre-arrears case arises where a borrower contacts the relevant lender to inform them that he/she is in danger of going into financial difficulties and/or is concerned about going into mortgage arrears or when the relevant lender itself identifies that this is likely to occur.

The Arrears Code applies to the mortgage lending activities of lenders (such as the Seller) to borrowers in respect of their PDH or in respect of the only residential property in Ireland owned by the borrower. Accordingly, the Arrears Code will generally not apply to buy-to-let mortgage loans. However the Arrears Code may apply to the activities of the Seller in its capacity as Original Lender, Legal Title Holder and Administrator in respect of those Mortgage Loans secured over a residential property which is the only residential property in Ireland owned by the Borrower.

The Arrears Code sets out what the lender must do when managing mortgage arrears and pre-arrears cases that are subject to the Arrears Code and provides for, amongst other things, the actions a lender is required to take to address mortgage arrears before resorting to repossession of the relevant property. In particular, the Arrears Code provides that a lender:

- (a) must put in place a mortgage arrears resolution process ("**MARP**") which complies with the Arrears Code;
- (b) must explore, and if appropriate, offer the borrower alternative repayment arrangements which may include full or partial interest only repayment for a specified period, full or partial deferral of the instalment repayment for a specified period, extension of the term, capitalising arrears and interest and any voluntary repayment scheme to which the lender has signed up under the Arrears Code;
- (c) in recognition of the serious impact of being classified as 'not cooperating', a lender must provide a warning letter giving at least 20 business days' notice to the borrower, outlining the implications of being classified as not cooperating and providing specific information on how to avoid this classification;
- (d) must have a board-approved communications policy that will protect borrowers against unnecessarily frequent contact and harassment, while ensuring that the lender can make the necessary contact to progress resolution of arrears cases. This replaces the limit of three successful, unsolicited communications per month which was set out in the Previous Code and allows for an approach to lender and borrower communication that is suited to individual needs and circumstances;
- (e) must provide the standard financial statement ("**SFS**") to the borrower at the earliest opportunity, and to offer assistance to borrowers with completing it. In addition, lenders can now agree with the borrower to put a temporary arrangement in place to prevent arrears from worsening while the full SFS is being completed and assessed;
- (f) where there is no other sustainable option available, the lender can offer an arrangement to distressed mortgage holders which provides for the removal of a tracker rate, but only as a last resort, where no other option that would allow the borrower retain their tracker rate is appropriate and sustainable for the borrower's individual circumstances. Lenders must be able to demonstrate that there is no other sustainable option that would allow the borrower to keep the tracker rate, and the arrangement offered must be a long term sustainable solution that is affordable for the borrower;
- (g) cannot start possession proceedings within 8 months of the date arrears arose or (if later) 3 months from the date the lender issues the borrower with a letter informing the borrower that the lender is not offering an alternative repayment arrangement under MARP (or 3 months

from the date the Lender issues a letter reflecting the fact that the borrower is not willing to enter into an alternative repayment arrangement), unless the Borrower has been classified as non-cooperating by the lender and has been notified as such by the lender; and

- (h) must not apply to the courts to seek repossession of a borrower's PDH until every reasonable effort has been made to agree an alternative repayment schedule with the relevant borrower in accordance with the MARP.

However, under the Arrears Code, a lender is permitted to seek repossession where it is clear that such borrower is deliberately not engaging with the lender, or where other circumstances reasonably so justify. In addition, a lender may enforce a mortgage in circumstances where application of the Arrears Code is not appropriate, such as, but not limited to, in the case of fraud or breach of contract other than the existence of arrears.

It should be noted that as the Arrears Code applies to borrowers in respect of their primary residence or where the relevant property is the only residential property owned by them in Ireland, the protection afforded by the Arrears Code should generally not apply to the Mortgage Loans, other than in respect of those Mortgage Loans secured over the only residential property of the Borrower in Ireland.

The revised Consumer Protection Code (the "**Consumer Protection Code**") issued by the Central Bank came in to force on 1 January 2012 and was subsequently amended in 2015, 2016, 2017 and 2018. The Consumer Protection Code applies to regulated financial services providers, including the Seller and the Administrator and sets out how lending institutions (such as the Seller) must deal with personal consumers, who are defined as natural persons acting outside his/her business, trade or profession, and with consumers, who are natural persons or groups of natural persons acting for personal and/or business purposes or incorporated bodies having an annual turnover of €3 million or less in the previous financial year (provided that such body is not a member of a group of companies having a combined turnover of greater than the said €3 million). The arrears handling provisions (in addition to certain other provisions) of the Consumer Protection Code do not apply to a mortgage loan to which the Arrears Code applies, but it could apply to a mortgage not in respect of a primary residence, including a buy to let Mortgage Loan. The Administrator, a regulated entity, will be required by law to administer the Mortgage Loans in accordance with the Consumer Protection Code to the extent that the Consumer Protection Code is applicable to any of the Mortgage Loans. The arrears handling provisions of the Consumer Protection Code set out what the lender must do when managing arrears cases that are subject to the Consumer Protection Code and set out requirements for communication with, and provision of information to, borrowers.

The Central Bank has requested banks to put in place longer term mortgage arrears resolution strategies ("**MARS**") to deal with borrowers in or facing arrears or in pre-arrears. Lenders' actions in dealing with borrowers who are in financial difficulty or whose mortgages are, or may become, in arrears may be subject to additional regulation in future. Any such additional regulation may have a negative impact on the ability of the Issuer to recover amounts due under the Mortgage Loans and on its ability to pay amounts due under the Notes.

Personal Insolvency Act

The Personal Insolvency Act provides for three Court approved debt resolution options for Borrowers deemed under the provisions of the Personal Insolvency Act to have unsustainable indebtedness levels. These three debt resolution options are alternatives to bankruptcy.

In summary, the key aspects of the Personal Insolvency Act are as follows:

- (a) the establishment of three new non-judicial settlement systems:
 - (i) a Debt Relief Notice ("**DRN**") which provides for the write-off of qualifying unsecured debt (including for example credit card debt and overdrafts) up to €35,000 (as provided by the Personal Insolvency (Amendment) Act 2015 which commenced 29 September 2015 (the "**Personal Insolvency Amendment Act**"), together with the Personal Insolvency Act the **Personal Insolvency Acts**) following a three-year moratorium period (during which the debtor's circumstances must not have improved);

- (ii) a Debt Settlement Arrangement ("**DSA**") which covers unsecured debt without a limit on the amount of debt. A debtor can go through a DSA once in their lifetime; and
 - (iii) a Personal Insolvency Arrangement ("**PIA**") for the agreed settlement of both secured and unsecured debt of (secured is subject to a cap of €3,000,000 unless the cap is waived by an agreement of all secured creditors), including residential mortgage debt. The Personal Insolvency Act provides that a borrower who has entered a mortgage restructure is not excluded from applying for a PIA, should the restructure not succeed in returning the borrower to solvency;
- (b) the period for discharge of bankrupts was reduced to one year (subject to limited exceptions) and that the amount which must be owing before bankruptcy proceedings can be brought is to be increased from the euro equivalent of €1,900 to €20,001; and
 - (c) the establishment of a new State-funded independent body to be known as the Insolvency Service which will oversee, and give determinations on, the non-judicial settlement procedures referred to above and which will also maintain a new Personal Insolvency Register which will hold details of debtors subject to the new procedures.

The Personal Insolvency Acts provide a framework for personal insolvency and for the settlement and enforcement of debt, including, through the PIA, residential mortgage debt.

DRNs and DSAs both deal with unsecured debt. However, the Personal Insolvency Acts regime may result in the restructuring of the principal amount outstanding of the secured debt (which would include mortgage debt) of a borrower who completes a PIA and could also affect the enforcement of mortgages over residential property, and accordingly may have an adverse effect on the ability of the Issuer to fully recover amounts due under the Mortgages, which in turn may adversely affect the Issuer's ability to make payments under the Notes.

A PIA will not, however, involve an automatic writing down of negative equity and to be eligible, the Borrower will have to show positive engagement with his/her secured creditors in the period leading up to the application for an arrangement.

Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Lending to Small and Medium-Sized Enterprises) Regulations 2015

The Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Lending to Small and Medium-Sized Enterprises) Regulations 2015 (the "**SME Regulations**") came into force on the 1 July 2016 and replaced the Code of Conduct for Business Lending to Small and Medium Enterprises.

The SME Regulations apply to credit provided by regulated entities to micro, small and medium enterprises, and micro and small enterprises (each as defined in the SME Regulations), which can include natural persons acting within the course of a business, trade or profession. To the extent that a Borrower, in respect of a buy-to-let Mortgage Loan, falls within this category, the provisions of the SME Regulations could apply. These include provisions relating to communications with the Borrower, information to be provided to the Borrower and dealing with Borrowers in financial difficulties.

The Administrator, a regulated entity, will be required by law to administer the Mortgage Loans in accordance with the SME Regulations to the extent that the SME Regulations are applicable to any of the Mortgage Loans.

Consumer Credit Act and Mortgage Credit Regulations

The making of housing loans in Ireland is regulated by the Consumer Credit Act 1995 (as amended) of Ireland (the "**CCA**") and the European Union (Consumer Mortgage Credit Agreements) Regulations 2016 (the "**Mortgage Credit Regulations**"), which impose a range of obligations and restrictions on mortgage lenders and mortgage intermediaries. The CCA and the Mortgage Credit Regulations may apply in respect of Mortgage Loans within the Mortgage Portfolio which were provided to Borrowers who are consumers or, in the case of the CCA only, in

respect of a Mortgage Loan within the Mortgage Portfolio which was made to a Borrower in respect of the purchase or improvement of that Borrower's (or his or her dependents) principal residence.

For the purposes of the CCA, a mortgage lender is an entity the business of which consists of or includes the making of housing loans. A housing loan is an agreement for the provision of credit to a person on the security of a mortgage of a freehold or leasehold estate or interest in land for any of a number of purposes, including the purchase or construction of a house to be used as the person's principal residence or that of the person's dependents, or refinancing a loan that was made for any of those purposes, and any loan to a consumer where that loan is secured by a mortgage and on which a house is or is to be constructed. It is not anticipated that the Issuer will be a mortgage lender for the purposes of the CCA.

A mortgage intermediary is a person (other than a mortgage lender or credit institution) who, in return for commission or some other form of consideration arranges, or offers to arrange, for a mortgage lender to provide a consumer with a housing loan, or introduces a consumer to an intermediary who arranges, or offers to arrange, for a mortgage lender to provide the consumer with such a loan. A mortgage intermediary requires an authorisation from the Central Bank in order to conduct its business. In the event that an unauthorised mortgage intermediary operates in Ireland, it is subject to penalties and sanctions that are discussed below. It is not anticipated that the Issuer will be a mortgage intermediary for the purposes of the CCA.

Relevant obligations imposed by the CCA include rules regulating advertising for housing loans; a requirement to furnish the borrower with a valuation report concerning the property; a requirement that specified warnings regarding the potential loss of the person's property be included in all key documentation relating to a housing loan and that key, prescribed information be displayed on the front page of a housing loan; and obligations to provide prescribed documents and information to a borrower. Restrictions include prohibitions on the imposition of a redemption fee in the case of many types of housing loan; compelling a borrower to pay the lender's legal costs of investigating title; and the linking of certain products.

A breach of any of these obligations or restrictions is a criminal offence by the mortgage lender or intermediary. The financial penalties may range from a maximum fine of €3,000 for most offences, to a maximum fine of €100,000 for the unlawful linking of certain services. A person (including a company) that is convicted of an offence under the CCA will normally be ordered to pay the costs of the prosecution. In respect of a regulated financial service provider (but not an entity that is a mortgage lender only), the Central Bank may, instead of a prosecution, impose a monetary penalty for breach of any of these obligations and restrictions; that penalty may be appealed to the Irish Financial Services Appeals Tribunal.

The Mortgage Credit Regulations came into force on 21 March 2016 and transpose Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property into Irish law. The Mortgage Credit Regulations apply to credit provided to a consumer under: (a) credit agreements secured by a mortgage or comparable security commonly used in a member state on residential immovable property, or secured by a right relating to residential immovable property; and (b) credit agreements the purpose of which is to acquire or retain rights in land or in an existing or proposed residential building.

The Mortgage Credit Regulations requires (among other things): standard information in advertising; standard pre-contractual information; adequate explanations to the consumer on the proposed credit agreement and any ancillary service; calculation of the annual percentage rate of charge in accordance with a prescribed formula; assessment of creditworthiness of the consumer; a right of the consumer to make early repayment of the credit agreement; notifications to consumers concerning changes in the borrowing rates; and certain obligations in respect of arrears and repossessions. The Mortgage Credit Regulations also imposes prudential and supervisory requirements including the establishment and supervision of credit intermediaries, appointed representatives and non-credit institutions.

Unfair Terms in Consumer Contracts Regulations

The European Communities (Unfair Terms in Consumer Contracts) Regulations 1995, 2000, 2013 and 2014 (together, the "**UTCC Regulations**") apply in relation to the Mortgage Loans. A Borrower may challenge a term in an agreement on the basis that it is "unfair" within the meaning of the UTCC Regulations and therefore not binding

on the Borrower. In addition, the Competition and Consumer Protection Commission, the Central Bank or a consumer organisation (collectively defined as authorised bodies) may apply to the Circuit Court or the High Court for a declaration that a term drawn up for general use in contracts concluded by sellers or suppliers is unfair. At the discretion of the court, an order banning the use of such a term can be subsequently granted. The Director of Consumer Affairs or a consumer organisation may also seek an injunction preventing the use of specific terms that are unfair.

This will not generally affect "core terms" which set out the main subject matter of the contract, such as the Borrower's obligation to repay principal, but may affect terms deemed to be ancillary terms, which may include terms the application of which are in the Administrator's discretion (such as a term permitting the Administrator to vary the interest rate).

If a term of a Mortgage Loan is found to be unfair that term may not be enforceable. For example if a term permitting the lender to vary the interest rate is found to be unfair, the Borrower will not be liable to pay the increased rate or, to the extent that the Borrower has paid it, will be able, as against the Seller, or any assignee such as the Issuer, to claim repayment of the extra interest amounts paid or to set-off the amount of the claim against the amount owing by the Borrower under the Mortgage Loan. Any such non-recovery, claim or set-off may adversely affect the realisable value of the Mortgage Loans in the Mortgage Portfolio and accordingly the ability of the Issuer to meet its obligations in respect of the Notes.

No assurance can be given that changes in the UTCC Regulations, if enacted, will not have an adverse effect on the Mortgage Loans, the Seller, BOIMB, the Administrator or the Issuer and their respective businesses and operations. This may adversely affect the ability of the Issuer to dispose of the Mortgage Portfolio, or any part thereof, in a timely manner and/or the realisable value of the Mortgage Portfolio, or any part thereof, and accordingly affect the ability of the Issuer to meet its obligations under the Notes when due.

European Directive on Unfair Commercial Practices

On 11 May 2005, the European Council and European Parliament signed Directive 2005/29/EC (the "**Unfair Commercial Practices Directive**"). The Unfair Commercial Practices Directive affects all consumer contracts and thus will have some impact in relation to the residential mortgage market.

Under the Unfair Commercial Practices Directive, a commercial practice is to be regarded as unfair if it is

- (a) contrary to the requirements of professional diligence; and
- (b) materially distorts or is likely to materially distort the economic behaviour of the average consumer whom the practice reaches or to whom it is addressed or the average member of a group where a practice is directed at a particular group of consumers. In addition to the general prohibition on unfair commercial practices, the Unfair Commercial Practices Directive contains provisions aimed at aggressive and misleading practices (including, but not limited to; (i) pressure selling; (ii) misleading marketing (whether by action or omission); and (iii) falsely claiming to be a signatory to a code of contact) and a list of practices which will in all cases and in all Member States be considered unfair. The Unfair Commercial Practice Directive also contains provisions aimed at preventing the exploitation of consumers whose characteristics make them particularly vulnerable to unfair commercial practices (which may include non-status, credit impaired or sub-prime Borrowers).

The Consumer Protection Act 2007 of Ireland (the "**CPA**") implements the Unfair Commercial Practices Directive in Ireland. Under the CPA there are four principal heads of offences: (i) Unfair Commercial Practices, (ii) Misleading Commercial Practices, (iii) Aggressive Commercial Practices and (iv) Prohibited Commercial Practices. The CPA may apply in respect of Mortgage Loans within the Mortgage Portfolio which were provided to Borrowers who are consumers.

In respect of most offences (other than, for example, pyramid selling schemes), the CPA contains a defence of "due diligence". This defence is available where the accused proves (i), the commission of the offence was due to

a mistake or the reliance on information supplied to the accused or to the act or default of another person, an accident of some other cause beyond the accused's control, and (ii), that the accused exercised due diligence and took all reasonable precautions to avoid the commission of the offence. Where due diligence means the standard of special skill and care which a trader may reasonably be expected to exercise towards consumers, commensurate with honest market practice and/or the general principle of good faith in the trader's field of activity.

Under the CPA both civil proceedings and criminal proceedings may be brought against a trader engaging in an unfair act or practice albeit this should not impact on the enforceability of the underlying contract itself.

Any affected person, including consumers, other traders, and the Competition and Consumer Protection Commission (the "**CCPC**") may bring civil proceedings under the CPA for a prohibition order against a trader engaging in an unfair act or practice. The CCPC may also serve a compliance notice on a trader whom it considers to have engaged in an unfair commercial practice. A consumer aggrieved by an Unfair Commercial Practice also has a right of action for damages.

The CCPC is also empowered to institute summary proceedings for breaches of the CPA relating to misleading, aggressive and prohibited practices. A trader found guilty of an offence on summary conviction will be liable to a fine not exceeding €3,000 and/or six months imprisonment for a first offence and a fine of €5,000 and/or twelve months imprisonment for subsequent offences. Proceedings on indictment will be taken by the Director of Public Prosecutions. On a first conviction on indictment an offending trader may be fined up to €60,000 and/or eighteen months imprisonment and subsequent convictions carry a fine of up to €100,000 and/or 24 months imprisonment.

The Unfair Commercial Practices Directive is stated to be without prejudice to contract law and the rules of the validity, formation or effect of a contract. There is, as yet, no reported case law on the CPA.

No Consent, No Sale Bill 2019

As at the date of this Prospectus, the Irish Parliament is considering a bill entitled "No Consent, No Sale Bill 2019" (the "**Bill**"). The Bill has completed the second stage in the legislative process and has moved to committee stage, but is not supported by the Irish Government or the Central Bank. However, no assurance can be given that the Bill (which is currently in draft form and is subject to amendment) will not come into force.

The Bill, amongst other matters, provides that a loan secured by a mortgage over a residential property in Ireland shall not be transferred without the written consent of the borrower, and in seeking consent, the lender must provide a statement to the borrower containing sufficient information to allow the borrower to make an informed decision. No assurance can be given that the Borrowers will provide their consent to the transfer of the Mortgage Loans or that any such consent will be provided in an expedient manner. The Bill does not currently provide for any securitisation transaction exemptions. Therefore, the Bill may restrict or significantly delay the ability of (i) the Trustee to perfect the assignment of the Mortgage Loans to the Issuer following the delivery of an Enforcement Notice and/or (ii) the Issuer to transfer the Mortgage Loans to the Portfolio Option Holder (and/or its nominees) pursuant to the Portfolio Option and/or (iii) the Trustee to sell the Mortgage Loans in the market following the delivery of an Enforcement Notice. Such restrictions and/or delays may adversely affect the ability of the Issuer and the Trustee (on behalf of the Secured Creditors, following the delivery of an Enforcement Notice) to realise the value in the Mortgage Loans.

Withholding Tax under the Notes

In the event that withholding taxes are imposed in respect of payments to Noteholders of amounts due pursuant to the Notes, neither the Issuer nor any Paying Agent nor any other person is obliged to gross up or otherwise compensate Noteholders for the lesser amounts the Noteholders will receive as a result of the imposition of withholding taxes. The imposition of such withholding taxes would entitle (but not oblige) the Issuer to redeem the Notes at their Principal Amount Outstanding plus accrued interest. Please see the section entitled "*Taxation – Ireland Taxation*" in relation to Irish withholding tax.

Tax Treatment of the Issuer

The Finance Acts 2016 and 2017 of Ireland introduced provisions amending the tax treatment of a "qualifying company" within the meaning of Section 110 of the Taxes Consolidation Act 1997 (the "**TCA**") (a "**Qualifying Company**"). These amendments deny a tax deduction for (i) profit dependent interest or (ii) interest to the extent it exceeds a reasonable commercial return (the "**Affected Interest**") where such interest is attributed to the holding by a Qualifying Company of "specified mortgages", units in an Irish Real Estate Fund (within the meaning of Chapter 1B of Part 27 TCA) or shares that derive their value or the greater part of their value directly or indirectly from Irish real estate. A **specified mortgage** for this purpose includes a loan which is secured on, and which derives its value, or the greater part of its value, directly or indirectly, from, Irish land.

Where Affected Interest arises and an exemption is not available, it is treated as a distribution which is not deductible for tax purposes and will thus form part of the taxable profits of the Issuer and will also be subject to dividend withholding tax (subject to any available exemptions).

However, exemption from these rules is available in the case of a "CMBS/RMBS transaction", as defined in Section 110(5A) of the TCA. Broadly, a "CMBS/RMBS transaction" refers to a securitisation transaction within the meaning of Article 4(1)(61) of Regulation (EU) No. 575/2013 ("**Capital Requirements Regulation**" or "**CRR**") (which is now reflected in Article 2(1) of the Securitisation Regulation) (formerly entered into by a Qualifying Company where the originator, within the meaning of Article 4(a) or 4(b) of the CRR (now reflected in Article 2(3)(a) or Article 2(3)(b) of the Securitisation Regulation), retains a net economic interest in the credit risk of the securitisation position in accordance with Article 405 of the CRR (now reflected in Article 6(3)(a) of the Securitisation Regulation) and, in the case of an originator within the meaning of Article 4(b) of the CRR (now reflected in Article 2(3)(b) of the Securitisation Regulation) is a regulated financial institution or credit institution (within the meaning of the CRR) regulated by a competent authority in a relevant member state of the European Union including Ireland or is authorised by a third country authority, recognised by the European Commission as having supervisory and regulatory arrangements at least equivalent to those applied in a relevant member state, or Ireland, to carry out similar activities.

EU Anti-Tax Avoidance Directive

The second Anti-Tax Avoidance Directive, or ATAD 2, and, together with ATAD 1, the ATADs, was adopted as Council Directive (EU) 2017/952 on May 29, 2017. ATAD 2 must be implemented by all EU member states by January 1, 2020, with certain exceptions.

When implemented, it is possible that the ATADs may affect the tax treatment of the Issuer's profits and therefore the Issuer's ability to make payments on the Notes. However, in the absence of implementing legislation, the possible implications of the ATADs are to a large extent, unascertainable at this time

However, amongst the measures contained in the ATAD I is an interest deductibility limitation rule similar to the recommendation contained in the Base Erosion and Profit Shifting ("**BEPS**") Action 4 proposals. The ATAD I provides that interest costs in excess of the higher of (i) €3,000,000 or (ii) 30 per cent. of an entity's earnings before interest, tax, depreciation and amortisation, will not be deductible in the year in which it is incurred but would remain available for carrying forward. However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets".

Accordingly, as the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under the Mortgage Loans (i.e. such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer even if the ATAD I were implemented as originally published. It should be noted it is uncertain how any gains under the loans would be treated as part of these rules.

Ireland has applied for a derogation with respect to the interest limitations rule, meaning the that provisions of the ATAD I on interest deductibility may be deferred in the case of Ireland until a later date, potentially to 1 January 2024. No assurance can be given that such derogation will be granted. The Department of Finance has indicated that these rules may be introduced earlier than 2024 but in any event not earlier that 1 January 2020.

There is also a carve-out in the ATAD I for financial undertakings, although as currently drafted the Issuer would not be treated as a financial undertaking.

Other EU related tax considerations

The European Commission is also pursuing other initiatives, such as the introduction of a common corporate tax base, the impact of which, if implemented, is uncertain.

U.S. Foreign Account Tax Compliance Withholding

Whilst the Notes are in global form and held within Euroclear and Clearstream, Luxembourg (together, the "ICSDs"), in all but the most remote circumstances, it is not expected that the foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 ("**FATCA**") will affect the amount of any payment received by the ICSDs (see "*Taxation – U.S. Foreign Account Tax Compliance Withholding*"). However, FATCA may affect payments made to custodians or intermediaries (including any clearing system other than Euroclear or Clearstream, Luxembourg) in the 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 payments 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 a 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, to the extent they have a discretion to do so, choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA, including any legislation relating to an intergovernmental agreement entered into pursuant to FATCA (an "**IGA**"), if applicable) 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. If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the terms and conditions of the Notes or any Transaction Document, be required to pay additional amounts as a result of the deduction or withholding. As a result, if FATCA withholding were to apply to payments on the Notes, investors may receive less interest or principal than they would otherwise receive.

For a discussion of the implementation of FATCA in Ireland see "*Ireland Taxation – Information exchange and the implementation of FATCA in Ireland*".

Book-Entry Interests

Unless and until Definitive Certificates are issued in exchange for the Book-Entry Interests, holders and beneficial owners of Book-Entry Interests will not be considered the legal owners or holders of the Notes under the Trust Deed. After payment to the Principal Paying Agent, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts in respect of the Notes to Euroclear or Clearstream, Luxembourg or to holders or beneficial owners of Book-Entry Interests.

A nominee for the Common Safekeeper will be considered the registered holder of the Notes as shown in the records of Euroclear or Clearstream, Luxembourg and will be the sole legal holder of the Global Notes under the Trust Deed while the Notes are represented by the Global Notes. Accordingly, each person owning a Book-Entry Interest must rely on the relevant procedures of Euroclear and Clearstream, Luxembourg and, if such person is not a participant in such entities, on the procedures of the participant through which such person owns its interest, to exercise any right of a Noteholder under the Trust Deed.

Except as noted in the previous paragraph, payments of principal and interest on, and other amounts due in respect of, the Global Notes will be made by the Principal Paying Agent to a nominee of the Common Safekeeper for Euroclear and Clearstream, Luxembourg. Upon receipt of any payment from the Principal Paying Agent, Euroclear and Clearstream, Luxembourg, as applicable, will promptly credit participants' accounts with payment in amounts proportionate to their respective ownership of Book-Entry Interests as shown on their records. The Issuer

expects that payments by participants or indirect payments to owners of 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 registered in "street name", and will be the responsibility of such participants or indirect participants. None of the Issuer, the Trustee, any Paying Agent or the 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 Noteholders, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by or on behalf of the Issuer for consents or requests by or on behalf of 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, their 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 under the Notes, holders of Book-Entry Interests will be restricted to acting through Euroclear and Clearstream, Luxembourg unless and until Definitive Certificates are issued in accordance with the relevant provisions described herein under "*Terms and Conditions of the Notes*" below. There can be no assurance that the procedures to be implemented by Euroclear and Clearstream, Luxembourg under such circumstances will be adequate to ensure the timely exercise of remedies under the Trust Deed.

Although Euroclear and Clearstream, Luxembourg have agreed to certain procedures to facilitate transfers of Book-Entry Interests among account holders of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Trustee, any Paying Agent, the Registrar or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants or account holders of their respective obligations under the rules and procedures governing their operations.

The lack of Notes in physical form could also make it difficult for a Noteholder to pledge such Notes if Notes in physical form are required by the party demanding the pledge and hinder the ability of the Noteholder to recall such Notes because some investors may be unwilling to buy Notes that are not in physical form.

Certain transfers of Notes or interests therein may only be effected in accordance with, and subject to, certain transfer restrictions and certification requirements and in accordance with the rules and regulations of any applicable clearing system. In order for a Noteholder to effect a transfer of Notes to a potential purchaser, the Noteholder and the potential purchaser will need to comply with the applicable transfer restrictions (see "*Transfer Restrictions and Investor Representations*" below). To the extent such transfer restrictions cannot be complied with, a Noteholder should be prepared to hold its Notes until the Final Maturity Date or until it can effect a transfer to a potential purchaser that complies with the requirements of the applicable transfer restrictions. In order to comply with any applicable laws and regulations in respect of such transfer, potential purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered.

Meetings of Noteholders, modification and waiver

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions provide that other than an Extraordinary Resolution in relation to a Basic Terms Modification, an Extraordinary Resolution passed at any meeting of the Most Senior Class of Noteholders shall be binding on all other Classes of Notes irrespective of the effect it has upon them. An Extraordinary Resolution (other than an Extraordinary Resolution of the Class Z Noteholders directing the termination of the appointment of the Administrator) passed by any Class of Noteholders which is not the Most Senior Class of Noteholders shall be ineffective unless sanctioned by an Extraordinary Resolution of the Most Senior Class or if the Trustee is of the opinion that it would not be materially prejudicial to the Most Senior Class.

The Conditions also provide that the Trustee may agree, from time to time and at any time, only with the written consent of the Secured Creditors which are a party to the relevant Transaction Documents and without the consent or sanction of the Noteholders or any other Secured Creditors to:

- (a) any modification of the Conditions of the Notes or any of the Transaction Documents which is not, in the opinion of the Trustee, materially prejudicial to the interests of the holders of the Most Senior Class (other than in respect of a Reserved Matter); or
- (b) any modification which, in the Trustee's opinion, is of a formal, minor or technical nature or to correct a manifest error, provided that the Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee would have the effect of (a) exposing the Trustee to any Liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (b) increasing the obligations or duties, or decreasing the rights, powers, authorities, indemnification or protections, of the Trustee in the Transaction Documents and/or the Conditions.

The Trustee may also, without the consent of the Most Senior Class, determine that an Event of Default shall not, or shall not subject to specified conditions, be treated as such. See "*Terms and Conditions of the Notes – Condition 12 (Meetings of Noteholders, Modification, Waiver and Substitution)*".

The Issuer and the Trustee shall not agree to any amendment to, modification of, or supplement to (and shall procure that there is no amendment to, modification of or supplement to) any of the Transaction Documents, insofar as such amendment, modification or supplement relates to or affects:

- (a) the IRC Collateral Account Priority of Payments and/or the operation of the IRC Collateral Account (other than in relation to any replacement of the Account Bank, provided such replacement has the required ratings); or
- (b) the timing or amount of any payments due to be made pursuant to the IRC Collateral Account Priority of Payments or to or from the IRC Collateral Account,

in each case, without the prior written consent of the Interest Rate Cap Provider (such consent not to be unreasonably withheld or delayed).

The Conditions also provide that the Issuer may, at any time during the term of the Trust Deed, require that the Trustee, without any consent or sanction of the Noteholders, the other Secured Creditors but subject to receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified concur with the Issuer in making any modification (other than in respect of a Reserved Matter) to the Conditions or any other Transaction Document that the Issuer considers necessary (in summary):

- A. for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies;
- B. in order to enable the Issuer to comply with any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) ("**EMIR**");
- C. for the purpose of complying with any changes in the requirements of the Securitisation Regulation after the Closing Date, including as a result of any changes to the regulatory technical standards in relation to the Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto (together the "**EU Risk Retention Rules**");

- D. for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin, provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- E. for the purposes of enabling the Issuer to comply with FATCA and/or CRS (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- F. for the purpose of complying with any changes in the requirements of the CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the CRA Regulation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and
- G. for the purpose of changing the base rate in respect of the Notes from EURIBOR to an alternative base rate and make such other amendments as are necessary or advisable in the reasonable judgement of the Issuer to facilitate such change, subject to certain conditions, provided that the Administrator, on behalf of the Issuer, provides a certificate to the Trustee in writing in relation to such conditions more fully described in the Conditions,

in each case provided that:

- (i) other than in the case of a modification pursuant to B above, at least 30 calendar days' prior written notice of any such proposed modification has been given to the Trustee;
- (ii) the Issuer certifies to the Trustee that the drafting changes meet the criteria above (upon which certificate the Trustee may rely absolutely without further enquiry or liability to any person for so doing) and such certificate is delivered to the Trustee at the time the Trustee is notified of the proposed modification and on the date such modification takes effect;
- (iii) the prior written consent of each Secured Creditor which is party to the Transaction Document to be modified has been obtained;
- (iv) either:
 - a. the Issuer obtains from each of the Rating Agencies written confirmation that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); or
 - b. the Issuer certifies in the Modification Certificate or the Base Rate Modification Certificate (as applicable) that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); and
- (v) the Issuer certifies in writing to the Trustee that in relation to such modification, (x) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 20 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, in each case specifying the date and time by which Noteholders may object to the proposed modification, and has made available at such time the modification documents for inspection at the registered office of the Trustee for the time being during normal business hours, and (y) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of

Notes outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders object to the proposed modification.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which such Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with Schedule 3 (*Provisions for Meetings of Noteholders*) of the Trust Deed.

Objections made in writing to the Issuer other than through the applicable clearing system must be accompanied by evidence to the Issuer's and the Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.

Where such Noteholders have not so notified the Issuer of such objection, or an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification, then the Trustee shall be obliged to agree to the modification and such modification will be made.

Other than where specifically provided in Condition 17.2 (*Additional Right of Modification*), as applicable, or any Transaction Document when implementing any modification pursuant to Condition 17.2 (*Additional Right of Modification*) (save to the extent the Trustee considers that the proposed modification would constitute a Reserved Matter), the Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and absolutely and without further investigation or liability on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to Condition 17.2 (*Additional Right of Modification*) and shall not be liable to the Noteholders, any other Secured Creditor 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.

The Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations, liabilities or duties, or decreasing the protections, rights, powers, authorisations or indemnification of the Trustee in the Relevant Documents and/or the Conditions.

Any such modification shall be binding on all Noteholders. The full requirements in relation to the modifications discussed above are set out in Condition 17.2 (*Additional Right of Modification*). There can be no assurance that the effect of such modifications to the Transaction Documents will not adversely affect the interests of the holders of one or more or all Classes of Notes.

Change of law

The structure of the transaction as described in this Prospectus and, inter alia, the issue of the Notes and the ratings which are to be assigned to the Notes are based on the law and administrative practice in effect as at the date of this Prospectus as it affects the parties to the transaction and the Mortgage Portfolio, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to such law (including any change in regulation which may occur without a change in primary legislation) and practice or tax treatment after the date of this Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes.

In May 2018, the Courts and Land and Conveyancing Law Reform Bill secured government approval for drafting. The Courts and Land and Conveyancing Law Reform Bill (which incorporates elements of the "Keeping People in their Homes Bill 2017") would, if enacted, further limit the ability of a lender to obtain orders for possession in

respect of defaulted mortgage loans. The proposed draft Bill aims to reform the factors taken into consideration by the Irish courts when determining applications for mortgagee possession under the Land and Conveyancing Law Reform Act 2013. It is expected the Bill will provide, amongst other things, that a court will have to take into account (i) the proportionality of making an order for possession (ii) the circumstances of those resident in the property; and (iii) in cases where the enforcing entity is not the original lender, the amount that the enforcing entity paid for the loan.

Furthermore, the CCPC is currently conducting a study on the mortgage market in Ireland and, on 20 February 2017, commenced a public consultation in respect of the mortgage market. A report (which is expected to be published in May 2019) will provide options for the government in relation to the market structure, legislation and regulation to lower the cost of secured mortgage lending and improve competition and consumer protection.

It is unclear whether any legislation in respect of the foregoing (either in the current draft form or a different form) will be enacted or whether further legislative initiatives to regulate the Irish mortgage market will be introduced. If enacted, any further legislation could potentially impact the ability of the Issuer to make recoveries in respect of the Mortgage Loans and, accordingly, its ability to make payments under the Notes.

The General Data Protection Regulation

The General Data Protection Regulation (the "**GDPR**"), applicable across the EU from 25 May 2018, introduces new compliance obligations in relation to the commercial use of customer data (with significant fines of up to 4 per cent. of global turnover for certain aspects of non-compliance). The GDPR ascribes a strict 72-hour timeline within which companies are required to inform the relevant supervisory authority of any data loss. Furthermore, the GDPR provides for extensive individual rights in relation to personal data, including rights of access, correction, deletion, blocking, objection, erasure and data portability. Amongst other requirements, the GDPR requires that companies implement technical and organisational data security measures to ensure a level of security appropriate to the risk involved in the data usage. It is possible that the GDPR will affect the operations of the Issuer, the Seller and the Administrator.

Implementation of, and amendments to, the Basel III framework may affect the regulatory capital and liquidity treatment of the Notes

The Basel III reform package (a regulatory capital and liquidity framework approved by the Basel Committee on Banking Supervision (the "**Basel Committee**") in 2011) has been implemented in the EEA through the Capital Requirements Regulation (**Capital Requirements Regulation** or "**CRR**" and an associated directive (the re-cast Capital Requirements Directive (the "**CRD**") (and together with the CRR, ("**CRD IV**"), which was published in the Official Journal of the European Union on 27 June 2013.

The CRR establishes a single set of harmonised prudential rules for financial institutions and certain minimum liquidity standards (referred to as the liquidity coverage ratio ("**LCR**") and the net stable funding ratio) which apply directly to all credit institutions in the EEA, with the CRD containing less prescriptive provisions which (unlike the CRR, which applies across the European Union without the need for any member state-level legislation) are required to be transposed into national law. Together the CRR and CRD reinforce capital standards and establish a leverage ratio "backstop" for financial institutions. Full implementation began from 1 January 2014, with particular elements being phased in over a period of time (the requirements will be largely effective by 2019 and some minor transitional provisions provide for phase-in until 2024). The minimum LCR requirements of 60 per cent. as of October 2015 reached 100 per cent. as of 1 January 2018. The net stable funding ratio applied from January 2018. As CRD IV allows certain national discretions, the final rules and the timetable for their implementation in each jurisdiction may be subject to some level of national variation.

In November 2016, the Commission adopted a legislative proposal for CRR II which contained, inter alia, measures introducing the net stable funding requirements, as provided for in Article 501(3) of the CRR. On 3 January 2017, the Basel Committee issued a press release stating that a meeting by the Group of Central Banks and Heads of Supervision on finalising Basel III reforms had been postponed in order to finalise proposals on the reforms.

The changes under CRD IV and Basel III as described above may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes, therefore impacting investors that are subject to requirements that follow the relevant framework and, as a result, may affect the liquidity and/or value of the Notes.

The Basel Committee also published certain proposed revisions to the securitisation framework, including changes to the approaches to calculating risk weights and a risk weight floor of 15 per cent. On 11 July 2016, the Basel Committee on Banking Supervision published an updated standard for the regulatory capital treatment of securitisation exposures which amends the Basel Committee's 2014 capital standards for securitisations by including the regulatory capital treatment for "simple, transparent and comparable" ("**STC**") securitisations. The standard builds on the 2015 STC criteria published by the Basel Committee and the International Organization of Securities Commissions and sets out additional criteria for differentiating the capital treatment of STC securitisations from that of other securitisation transactions. The additional criteria, for example, exclude transactions in which the standardised risk weights for the underlying assets exceed certain levels. This ensures that securitisations with higher-risk underlying exposures do not qualify for the same capital treatment as STC-compliant transactions.

Compliance with the expanded set of STC criteria should provide additional confidence in the performance of securitisation transactions, and thereby warrants a modest reduction in minimum capital for STC securitisations. The Committee consulted in November 2015 on a proposed treatment of STC securitisations. Compared to the consultative version, the final standard has scaled down the risk weights for STC securitisation exposures, and has reduced the risk weight floor for senior exposures from 15 per cent. to 10 per cent.

In general, investors should consult their own advisers as they deem necessary in relation to the regulatory capital requirements in respect of the Notes and as to the consequences to and effect on them of any changes to the Basel II framework (including the Basel III changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

CRA3

Prospective investors are responsible for ensuring that an investment in the Notes is compliant with all applicable investment guidelines and requirements and in particular any requirements relating to ratings. In this context, prospective investors should note the provisions of Regulation 462/2013 (EU) which amends Regulation (EC) 1060/2009 on Credit Rating Agencies (together, "**CRA3**") which became effective on 20 June 2013. CRA3 requires, among other things, issuers or related third parties intending to solicit a credit rating of a structured finance instrument ("**SFI**") to appoint at least two credit rating agencies to provide credit ratings independently of each other.

Securitisation Regulation

On 1 January 2019, Regulation (EU) 2017/2402 (the "**Securitisation Regulation**") and the associated Regulation (EU) 2017/2401 (the "**CRR Amending Regulation**", and together with the Securitisation Regulation, the "**Securitisation Regulations**") began to apply to any securitisations issued from that date, subject to various transitional provision. The Securitisation Regulations implement the revised securitisation framework developed by the Basel Committee, as well as revised risk retention and transparency requirements (now imposed variously on the issuer, originator, sponsor and/or original lender of a securitisation) and new due diligence requirements imposed on certain institutional investors in a securitisation. It also introduced a ban on the securitisation of residential mortgage loans made after 20 March 2014 and marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the lender. A ban was also introduced on re-securitisations and a requirement was introduced on originators, sponsors and original lenders to apply to exposures which are to be securitised the same sound and well-defined criteria for credit-granting which they apply to non-securitised exposures. In general, the requirements imposed under the Securitisation Regulations are more onerous and have a wider scope than those imposed under the previous legislation.

The EU risk retention and due diligence requirements described above apply in respect of the Notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made

at the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the notes. With respect to the commitment of the Seller to retain a material net economic interest in the securitisation and with respect to the information to be made available by the Issuer or by the Administrator on the Issuer's behalf, please see the statements set out in "*EU Risk Retention Requirements*". Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the Issuer, any Co-Arranger, any Joint Lead Manager, the Seller or any of the other transaction parties makes any representation that the information described above is sufficient in all circumstances for such purposes.

Various parties to the Transaction are subject to the requirements of the Securitisation Regulation. Although the Issuer believes that the Transaction is in compliance with the requirements of the Securitisation Regulation, as discussed below there is at present some uncertainty in relation to some of these requirements, including in particular with regard to the transparency obligations imposed under Article 7 of the Securitisation Regulation.

With regard to the transparency requirements set out in Article 7 of the Securitisation Regulation, the relevant regulatory technical standards, including the standardised templates to be developed by ESMA to fulfil these requirements (the "**ESMA Disclosure Templates**") have not as yet been adopted. As a result, the Securitisation Regulation transitional provisions will apply, which require that the disclosure templates prescribed under CRA3 are to be used until the regulatory technical standards have been published and the ESMA Disclosure Templates begin to apply.

Furthermore, in a statement issued on 30 November 2018, the Joint Committee of the European Supervisory Authorities noted the operational difficulties of compliance with the Securitisation Regulation disclosure obligations using the CRA3 templates for some entities and indicated that national competent authorities should generally apply their supervisory powers in their day-to-day supervision and enforcement of applicable legislation in a proportionate and risk-based manner.

Notwithstanding the above, the Issuer has adopted the CRA3 templates and believes, based on advice that it has received, that as at the date hereof it has taken reasonable steps to comply with the requirements of Article 7 of the Securitisation Regulation. However, it also notes the general market uncertainty on this point and also the uncertainty as to the effect of the grandfathering provisions, if any, of the regulatory technical standards containing the ESMA Disclosure Templates when they eventually begin to apply. Furthermore, it is not yet clear how the Central Bank (as the competent authority in Ireland) intends to monitor and enforce compliance. The Issuer will continue to monitor any further statements by the European Supervisory Authorities and/or the Central Bank in this regard.

Eurosystem eligibility

The Global Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Global Notes will, upon issue, be deposited with a Common Safekeeper for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of the Common Safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (Eurosystem eligible collateral) either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. It is not expected that the Class B Notes, Class C Notes, the Class D Notes and Class Z Notes will satisfy the Eurosystem eligibility criteria. The Class A Notes are intended to satisfy the Eurosystem eligibility criteria, however the Issuer gives no representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue or at any time prior to redemption in full, satisfy all or any of the requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Class A Notes should make their own conclusions and seek their own advice with respect to whether or not the Class A Notes constitute Eurosystem eligible collateral.

Volcker Rule

The Issuer is of the view that it should not be an "investment company" for the purposes of the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**") because of the exemption provided under Section 3(c)(5)(C)

of the 1940 Act. Consequently, the Issuer is of the view that it is not now, and following the issue of the Notes and the application of the proceeds, will not be, a "covered fund" (under the regulations adopted to implement section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection, or the "**Dodd-Frank Act**", (commonly known as the "**Volcker Rule**"). 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. The Volcker Rule became effective on 1 April 2014, but was subject to a conformance period for certain funds which concluded on 21 July 2015. Under the Volcker Rule, unless otherwise jointly determined otherwise by specified federal regulators, a "covered fund" does not include an issuer that may rely on an exclusion or exemption from the definition of "investment company" under the 1940 Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the 1940 Act. 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 advisors regarding such matters and other effects of the Volcker Rule.

U.S. Risk Retention

The final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act, codified by Section 15G of the U.S. Risk Retention Rules, came into effect with respect to RMBS securitisations on 24 December 2015, and with respect to all other asset classes on 24 December 2016, and generally require the "sponsor" of a "securitisation transaction" to retain at least 5 per cent. of the "credit risk" of "securitised assets", as such terms are defined for purposes of that statute, and generally prohibit a sponsor from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the sponsor is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Seller, as the sponsor under the U.S. Risk Retention Rules, does not intend to retain at least 5 per cent. of the credit risk of the Notes for the purposes of the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the ABS interests (as defined in Section 2 of the U.S. Risk Retention Rules) are issued, as applicable) of all classes of ABS interests (as defined in Section 2 of the U.S. Risk Retention Rules) issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as "**Risk Retention U.S. Persons**"); (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of the Seller. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S under the Securities Act, and that persons who are not "U.S. persons" under Regulation S under the Securities Act may be U.S. persons under the U.S. Risk Retention Rules. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h), which are different than comparable provisions from Regulation S under the Securities Act.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "**U.S. person**" (and Risk Retention U.S. Person) in this Prospectus means any of the following:

- (a) any natural person resident in the United States;
- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;

- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
 - (i) organised or incorporated under the laws of any foreign jurisdiction; and
 - (ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.

Each purchaser of Notes, including beneficial interests therein, will be deemed, and in certain circumstances will be required, to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person (unless it has obtained the prior written consent of the Seller), (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

There can be no assurance that the requirement to request the Seller to give its prior written consent to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether failure by the sponsor to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or their market value. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by the sponsor to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

None of the Issuer, the Seller, the Trustee, the Co-Arrangers, the Joint Lead Managers or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transaction described in this Prospectus complies with the U.S. Risk Retention Rules on the Issue Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

European Market Infrastructure Regulation

EMIR, which entered into force on 16 August 2012, establishes certain regulatory requirements for counterparties to OTC derivatives contracts, including a mandatory clearing obligation for certain classes of OTC derivatives (the "**Clearing Obligation**"), (ii) a margin posting obligation for OTC derivatives contracts not subject to clearing (the "**Collateral Obligation**"), (iii) daily valuation and other risk-mitigation techniques for OTC derivatives contracts not

subject to clearing by an authorised or recognised central counterparty (a "**CCP**"), and (iv) certain reporting and record-keeping requirements.

Under EMIR, counterparties can be classified as (i) financial counterparties ("**FCs**") and (ii) non-financial counterparties. The latter classification is further split into (i) non-financial counterparties whose positions, together with the positions of all other non-financial counterparties in its "group" (as defined in EMIR), in OTC derivatives (excluding hedging positions) exceed any of the specified clearing thresholds ("**NFC+s**", and together with FCs, the "**In-scope Counterparties**") and (ii) non-financial counterparties whose positions, together with the positions of all other non-financial counterparties in its "group" (as defined in EMIR), in OTC derivatives (after the exclusion of hedging positions) do not exceed any of the specified clearing thresholds ("**NFC-s**"). In-scope Counterparties may be subject to the Clearing Obligation or, to the extent that the relevant OTC derivatives are not subject to clearing, to the Collateral Obligation. Such obligations do not apply in respect of NFC- entities. On the basis that the Issuer is currently an NFC-, OTC derivative contracts that are entered into by the Issuer would not be subject to the Clearing Obligation or the Collateral Obligation. If the Issuer's counterparty status as an NFC- changes then certain OTC derivatives contracts that are entered into by the Issuer may become subject to the Clearing Obligation or Collateral Obligation. It should also be noted that the Collateral Obligation should not in any event apply in respect of any OTC derivative entered into by the Issuer on or prior to the date of application unless such OTC derivative is materially amended on or after such date.

Further, OTC derivatives contracts that are not cleared by a CCP are also subject to certain other risk-mitigation techniques, including arrangements for timely confirmation of OTC derivatives contracts, portfolio reconciliation, dispute resolution and arrangements for monitoring the value of outstanding OTC derivatives contracts. These requirements are already in effect. In order to comply with certain of these risk-mitigation techniques, the Issuer includes appropriate provisions in the Interest Rate Cap Agreement. In addition, under EMIR, counterparties must report all their OTC and exchange traded derivatives contracts to an authorised or recognised trade repository or to ESMA.

Notwithstanding the qualifications on application described above, the position of any OTC derivatives entered into by the Issuer under each of the Clearing Obligation and Collateral Obligation is not entirely clear and may be affected by further measures still to be made. If the classification of the Issuer changes and, to the extent relevant, any OTC derivative entered into by the Issuer is regarded to be in-scope, then such OTC derivative entered into or materially amended on or after the date of application may become subject to the Clearing Obligation or (more likely) to the Collateral Obligation. Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with these obligations if applicable, which may (i) lead to regulatory sanctions (which may include a fine), (ii) adversely affect the ability of the Issuer to continue to be party to such OTC derivative (possibly resulting in a restructuring or termination of such OTC derivative) or to enter into other OTC derivatives and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge certain risks. As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors receiving less interest or principal than expected.

Additionally, EMIR-related amendments may be made to the Transaction Documents and/or the Conditions by the Trustee without the consent of the Noteholders and without the consent of any other Secured Creditors. In each case, EMIR-related amendments may be made irrespective of whether such modifications are materially prejudicial to the Most Senior Class of outstanding Notes.

Insolvency proceedings and subordination provisions

There is some uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called "flip clauses"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of any termination payment due to the Interest Rate Cap

Provider pursuant to the IRC Collateral Account Priority of Payments in circumstances where the Interest Rate Cap Agreement has been terminated as a result of, *inter alia*, an IRC Provider Default.

The English Supreme Court has held that a flip clause as described above is valid under English law. Contrary to this, however, the US Bankruptcy Court has held that such a subordination provision is unenforceable under US bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a US bankruptcy of the counterparty. The implications of this conflict remain unresolved, particularly as several subsequent challenges to the US decision have been settled and certain other actions which raise similar issues are currently pending.

If a creditor of the Issuer (such as the Interest Rate Cap Provider) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales (including, but not limited to, the US), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the Transaction Documents (such as a provision of the IRC Collateral Account Priority of Payments which subordinates a termination payment due to the Interest Rate Cap Provider in circumstances where the Interest Rate Cap Agreement has been terminated as a result of an IRC Provider Default). In particular, based on the decision of the US Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under US bankruptcy laws. Such laws may be relevant in certain circumstances with respect to certain replacement Interest Rate Cap Providers.

In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales and any relevant foreign judgment or order was recognised by the English courts, there can be no assurance that such actions would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of termination payments due to the Interest Rate Cap Provider in certain circumstances, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

Other changes to mortgage regulation

There can be no assurance that this section comprehensively describes all proposed changes to relevant regulation or that there will be no further changes to regulation that may have an effect on the mortgage market in Ireland generally or specifically in relation to the Seller. Further, there can neither be assurance that regulators' interpretation of existing rules and regulations will remain unchanged nor whether any such regulator may apply such interpretations in respect of actions or conduct already undertaken. Any such action or developments in particular, but not limited to, the cost of compliance, may have a material adverse effect on the Seller, the Issuer and/or the Administrator and their respective businesses and operations. This may adversely affect the Issuer's ability to make payments on the Notes.

Given the high level of scrutiny regarding financial institutions' treatment of customers and business conduct from regulatory bodies, the media and politicians, there is a risk that certain aspects of the current or historic business of the Seller or BOIMB, including, amongst other things, mortgages, may be determined by the Central Bank and other regulatory bodies or the courts as, in their opinion, not being conducted in accordance with applicable laws or regulations, or fair and reasonable treatment.

TRIGGERS TABLES

Rating Triggers Table

Transaction Party	Required Ratings on the Closing Date	Possible effects of Ratings Trigger being breached include the following
Deposit Account Bank	<p>(a) Long-term issuer credit rating of at least A by S&P.</p> <p>(b) Long-term rating of A from DBRS which shall be the higher of (i) if the Deposit Account Bank has a long-term Critical Obligation Rating ("COR") by DBRS, one notch below that COR; and (ii) the long term unsecured, unsubordinated and unguaranteed debt obligations public rating assigned by DBRS to the Deposit Account Bank or, where there is no such rating, the equivalent private rating by DBRS.</p>	<p>The consequences of breach may include the transfer of amounts standing to the credit of the Deposit Account to a bank account of the Issuer held with a replacement deposit account bank which has the required rating within 30 calendar days from the date of such breach.</p> <p>See the section entitled "<i>The Deposit Account Bank and the Deposit Account Bank Agreement</i>".</p>
Interest Rate Cap Provider	<p>Loss of the DBRS required ratings or the S&P required ratings.</p> <p>For so long as the Class A Notes, Class B Notes, Class C Notes, Class D Notes and the Class E Notes are rated by DBRS, the "DBRS required ratings" set out below apply.</p> <p>For so long as the Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes are rated by S&P, the "S&P required ratings" set out below apply.</p> <p>The S&P required ratings take into account the framework under which collateral to be posted is calculated. The Interest Rate Cap Agreement provides that an "adequate" collateral framework will apply to collateral posting under the Interest Rate Cap Agreement, unless the Interest Rate Cap Provider elects, in accordance with the Interest Rate Cap Agreement, to change to a "strong" collateral framework. The rating requirements that apply to each of the "adequate" collateral</p>	<p>The remedial actions and timing for such actions set out below are dependent on the level at which the relevant trigger that has been breached.</p>

framework and "strong" collateral framework are set out below

S&P initial required ratings, "adequate" collateral framework

The S&P initial ratings trigger under an "adequate" collateral framework is the higher of a long term resolution credit rating or a long-term issuer credit rating of at least A-. However, the Interest Rate Cap Provider will commence initial remediation if the higher of its long term resolution credit rating or long-term issuer credit rating from S&P falls below A.

Subject to the terms of the Interest Rate Cap Agreement, for as long as the "adequate" collateral framework applies, if the higher of the long term resolution credit rating or long-term issuer credit rating from S&P of the Interest Rate Cap Provider falls below A, the Interest Rate Cap Provider will be obliged to: (a) post collateral; or (b) use commercially reasonable efforts to: (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement; or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Agreement; or (iii) take such other action as may be agreed with S&P to maintain, or restore, the rating of the Rated Notes by S&P

S&P subsequent required ratings, "adequate" collateral framework

The higher of a long term resolution credit rating or a long-term issuer credit rating of at least A-.

Subject to the terms of the Interest Rate Cap Agreement, for as long as the "adequate" collateral framework applies, the consequence of a breach of the S&P subsequent required ratings is that the Interest Rate Cap Provider will be obliged to: (a) post collateral; *and* (b) use commercially reasonable efforts to: (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement; or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Agreement; or (iii) take such other action as may be agreed with S&P to maintain, or restore, the rating of the Rated Notes by S&P.

S&P initial required ratings, "strong" collateral framework

The higher of a long term resolution credit rating or a long-term issuer credit rating of at least A-.

Subject to the terms of the Interest Rate Cap Agreement, for as long as the "strong" collateral framework applies, the consequence of a breach of the S&P initial required ratings is that the Interest Rate Cap Provider will be obliged to: (a) post collateral; or (b) use commercially

reasonable efforts to: (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement; or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Agreement; or (iii) take such other action as may be agreed with S&P to maintain, or restore, the rating of the Rated Notes by S&P.

S&P subsequent required ratings, "strong" collateral framework

The higher of a long term resolution credit rating or a long-term issuer credit rating of at least BBB+.

Subject to the terms of the Interest Rate Cap Agreement, for as long as the "strong" collateral framework applies, the consequence of a breach of the S&P subsequent required ratings is that the Interest Rate Cap Provider will be obliged to: (a) post collateral; *and* (b) use commercially reasonable efforts to: (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement; or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Agreement; or (iii) take such other action as may be agreed with S&P to maintain, or restore, the rating of the Rated Notes by S&P.

DBRS initial required ratings

Long term rating of at least A (or its equivalent rating by another rating agency in accordance with the terms of the Interest Rate Cap Agreement).

Subject to the terms of the Interest Rate Cap Agreement, the consequence of a breach of the DBRS initial required ratings is that the Interest Rate Cap Provider will be obliged to (a) post collateral or (b) use commercially reasonable efforts to (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Agreement or (iii) take such other action as may be agreed with DBRS to maintain, or restore, the rating of the Rated Notes by DBRS.

DBRS subsequent required

Subject to the terms of the Interest

ratings

Long term rating of at least BBB (or its equivalent rating by another rating agency in accordance in with the terms of the Interest Rate Cap Agreement).

Rate Cap Agreement, the consequence of a breach of the DBRS subsequent required ratings is that the Interest Rate Cap Provider will be obliged to (a) post collateral and (b) use commercially reasonable efforts to (i) to procure a transfer to an eligible replacement of its obligations under the Interest Rate Cap Agreement or (ii) procure a guarantee from an eligible guarantor in respect of its obligations under the Interest Rate Agreement or (iii) take such other action as may be agreed with DBRS to maintain, or restore, the rating of the Rated Notes by DBRS.

See the section entitled "*The Interest Rate Cap Provider and the Interest Rate Cap Agreement*" for further information.

Non-Ratings Triggers Table

Nature of Trigger	Description of Trigger	Consequence of Trigger
Administrator Termination Events	<ul style="list-style-type: none"> (i) Administrator payment default; (ii) Failure to comply with any of its other covenants or obligations; (iii) Insolvency Event in relation to the Administrator; (iv) Administrator ceasing to have the relevant licences and approvals; or (v) In addition, the appointment of the Administrator may be terminated by: <ul style="list-style-type: none"> (a) the Issuer or the Trustee pursuant to an Extraordinary Resolution of holders of the Class Z Notes; or (b) Voluntary resignation of Administrator. 	<p>The Replacement Administrator Facilitator will use best efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable substitute Administrator in accordance with the Administration Agreement.</p> <p>See the section entitled "<i>The Administrator and the Administration Agreement</i>" for further information</p>
Perfection Trigger Events	<ul style="list-style-type: none"> (i) Where the Issuer or the Seller is required to do so by law, by court order or by a mandatory requirement of any regulatory authority; (ii) Insolvency Event in relation to either the Seller or BOIMB; (iii) An Enforcement Notice has been delivered; or (iv) An Administrator Termination Event has occurred. 	<p>The legal transfer and assignment by the Legal Title Holders to the Issuer of all the Mortgage Loans and their Related Security as soon as reasonably practicable.</p> <p>If any Mortgage Loans are sold to the Option Holder, the Option Holder may be required to acquire the legal title together with the beneficial title to such Mortgage Loans, subject to the time required to perfect legal title.</p> <p>See the section entitled "<i>Sale of the Mortgage Portfolio under the Mortgage Sale Agreement</i>" for further information.</p>
Cash Manager Termination Event	<ul style="list-style-type: none"> (i) Cash Manager payment default; (ii) Failure to comply with any other of its covenants or obligations; or (iii) Insolvency Event in relation to the Cash Manager. 	<p>A replacement Cash Manager will be appointed in accordance with the Cash Management Agreement.</p>

Insolvency Event in respect of the Deposit Account Bank

Insolvency Event in respect of the Deposit Account Bank

A replacement Deposit Account Bank will be appointed in accordance with the Deposit Account Agreement.

EU RISK RETENTION REQUIREMENTS

The following outlines certain matters that may be relevant to some investors. It does not purport to be a comprehensive list of regulatory matters that pertain to investors. All investors are responsible for analysing their own regulatory position.

Please refer to "*Risk Factors – Impact of regulatory initiatives on certain investors*" for more information.

Securitisation Regulation,

Bank of Ireland, as an originator for the purposes of the Securitisation Regulation, will retain on an on-going basis from the Closing Date until the maturity of the Notes a material net economic interest of not less than 5 per cent. in the nominal value of the securitisation in accordance with Article 6(1) of the Securitisation Regulation (as such provision is interpreted and applied on the Closing Date and which does not take into account any implementation rules or corresponding national measures in any relevant jurisdiction) subject always to any requirement of law and to the extent the Securitisation Regulation continues to apply to this Transaction (the "**Retention Amount**"). As at the Closing Date, such interest will comprise retention by Bank of Ireland of not less than 5 per cent. of the nominal value of each tranche sold or transferred to investors for the purposes of the securitisation, as required by the text of paragraph (a) of Article 6(3) of the Securitisation Regulation. Bank of Ireland will confirm its ongoing retention of the net economic interest described above in the quarterly Investor Reports and any change to the manner in which such interest is held will be notified to Noteholders.

Bank of Ireland will undertake in the Mortgage Sale Agreement (in favour of the Trustee on behalf of the Secured Creditors) and has undertaken in the Subscription Agreement that it will, whilst any of the Notes remain outstanding:

- (a) retain, on an ongoing basis, a material net economic interest of not less than 5 per cent. in the nominal value of the securitisation in accordance with Article 6(1) of the Securitisation Regulation (as such provision is interpreted and applied on the Closing Date; and
- (b) not sell, short, hedge, transfer or otherwise dispose of its interest in the Retention Amount, or otherwise enter into any transaction which would result in the Retention Amount being subject to any form of credit risk mitigation (and shall procure that none of its affiliates sell, short, hedge, transfer or otherwise dispose of its interest or otherwise enter into any form of credit risk mitigation), except in each case, to the extent permitted by the Securitisation Regulation.

Transparency requirements

The Issuer has been appointed as the designated entity under Article 7(2) of the Securitisation Regulation. The Issuer has appointed the Administrator and the Cash Manager to perform all of the Issuer's obligations under Article 7 of the Securitisation Regulation. For further information please refer to the section entitled "*General Information*".

As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and to the quarterly reports to investors that are prepared pursuant to the Administration Agreement.

Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with Article 5 of the Securitisation Regulation and any corresponding national measures which may be relevant to investors and none of the Issuer, any Co-Arranger, any Joint Lead Manager, the Seller or any of the other transaction parties makes any

representation that any such information described above or elsewhere in this Prospectus is sufficient in all circumstances for such purposes.

Please refer to the section entitled "*Securitisation Regulation*" for further information on the implications of the EU risk retention requirements and the Securitisation Regulation.

Information regarding the policies and procedures of the Original Lenders

As required by Article 9(1) of the Securitisation Regulation, each Original Lender has applied the same sound and well-defined credit-granting criteria for the Mortgage Loans as it has applied to equivalent mortgage loans that are not part of the Mortgage Portfolio. In particular:

- (a) each Original Lender applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing for the Mortgage Loans as it has applied to equivalent mortgage loans that are not part of the Mortgage Portfolio; and
- (b) each Original Lender had effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the borrower's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the borrower meeting his obligations under the relevant mortgage loan agreement.

Please see "*The Seller*" and "*The Administrator and the Administration Agreement*" for further information.

WEIGHTED AVERAGE LIFE OF THE NOTES

The average lives of the Notes cannot be stated, as the actual rate of repayment of the Mortgage Loans and redemption of the mortgages and a number of other relevant factors are unknown. However, calculations of the possible average lives of the Notes can be made based on certain assumptions, such as the following assumptions:

- (a) the Option Holder exercises the Portfolio Option to redeem the Notes on the Portfolio Option Call Date, in the first scenario, or the Option Holder does not exercise the Portfolio Option to redeem the Notes on or after the Portfolio Option Call Date, in the second scenario;
- (b) the Mortgage Loans are subject to a constant annual rate of repayment (excluding scheduled principal redemptions) of between 0.0 and 15.0 per cent. per annum as shown in the table below;
- (c) the Security is not enforced;
- (d) the Mortgage Loans continue to be fully performing;
- (e) no Enforcement Notice has been served on the Issuer and no Event of Default has occurred;
- (f) the assets of the Issuer are not sold except as may be necessary to enable the Issuer to realise sufficient funds to exercise its option to redeem the Rated Notes;
- (g) the characteristics of the Mortgage Loans in the Portfolio will be identical to those of the Mortgage Loans in the Provisional Mortgage Portfolio and the aggregate Current Balance of the Mortgage Loans will be identical to the current balance of the Provisional Mortgage Portfolio;
- (h) no Borrowers are offered nor accept different mortgage products by the Seller and the Seller is not required to repurchase any Mortgage Loan in accordance with the Mortgage Sale Agreement;
- (i) the ratio of the Principal Amount Outstanding of:
 - a. the Class A Notes to the Principal Amount Outstanding of the Notes is 63.00%;
 - b. the Class B Notes to the Principal Amount Outstanding of the Notes is 9.49%;
 - c. the Class C Notes to the Principal Amount Outstanding of the Notes is 7.53%;
 - d. the Class D Notes to the Principal Amount Outstanding of the Notes is 5.01%;
 - e. the Class E Notes to the Principal Amount Outstanding of the Notes is 3.98%; and
 - g. the Class Z Notes to the Principal Amount Outstanding of the Notes is 11.00%;
- (j) the Notes are issued on or about 18 April 2019;
- (k) the Mortgage Loans are sold to the Issuer for value as at the Cut-Off Date, therefore the accrual of cash flows starts at the Cut-Off Date;
- (l) the Cut-Off Date is 31 January 2019;
- (m) 30/360 day count assumption;

(n) for quarterly accruing loans, accrued interest is calculated as 1 month of the interest portion of the loans based on the Current Balance as at the previous quarter; and

(o) annual fees and expenses of the Issuer of €160,000.

Assumption (b) is stated as an average annualised repayment rate as the repayment rate for one Interest Period may be substantially different from that for another. The constant repayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant repayment rates.

Assumptions (b) to (h) (inclusive) relate to circumstances which are not predictable.

The average lives of the Notes are subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic. They must therefore be viewed with considerable caution. For more information in relation to the risks involved in the use of the average lives estimated above, see "*Risk Factors – Credit Structure*".

Constant annual rate of prepayment of the Loans	(Assuming Option Holder exercises the Portfolio Option to redeem the Notes on the Portfolio Option Call Date)				
	Possible Average Life (in years) of:				
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
0.00%	2.59	3.02	3.02	3.02	3.02
0.25%	2.58	3.02	3.02	3.02	3.02
0.50%	2.56	3.02	3.02	3.02	3.02
1.00%	2.53	3.02	3.02	3.02	3.02
2.00%	2.47	3.02	3.02	3.02	3.02
5.00%	2.28	3.02	3.02	3.02	3.02
7.50%	2.13	3.02	3.02	3.02	3.02
10.00%	1.99	3.02	3.02	3.02	3.02
15.00%	1.71	3.02	3.02	3.02	3.02

Constant annual rate of prepayment of the Loans	(Assuming Option Holder does not exercise the Portfolio Option to redeem the Notes on the Portfolio Option Call Date)				
	Possible Average Life (in years) of:				
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
0.00%	4.48	9.80	11.56	13.15	15.36
0.25%	4.39	9.63	11.40	12.93	14.97
0.50%	4.30	9.49	11.24	12.74	14.61
1.00%	4.13	9.20	10.93	12.42	13.99
2.00%	3.83	8.63	10.33	11.81	13.08
5.00%	3.11	7.26	8.77	10.17	11.37

7.50%	2.66	6.37	7.72	9.01	10.15
10.00%	2.31	5.63	6.86	8.02	9.08
15.00%	1.80	4.48	5.53	6.51	7.39

USE OF PROCEEDS

The Issuer will use the gross proceeds of the Notes to (i) pay an amount equal to the Consideration to the Seller pursuant to the Mortgage Sale Agreement (see "*The Mortgage Portfolio – Sale of the Mortgage Portfolio under the Mortgage Sale Agreement*"); (ii) pay costs and expenses incurred by the Issuer in respect of the issuance of the Notes on the Closing Date; (iii) fund the Senior Reserve Fund up to the Initial Senior Reserve Fund Required Amount; (iv) fund the General Reserve Fund up to the Initial General Reserve Fund Required Amount; and (v) pay the Interest Rate Cap Fees to the Interest Rate Cap Provider.

THE ISSUER

Introduction

The Issuer was incorporated and registered in Ireland (under company registration number 636799) on 31 October 2018 as a designated activity company limited by shares under the Companies Act. The registered office of the Issuer is at 28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland. The entire issued share capital of the Issuer (1,000 ordinary shares of €1 each) is held by the Share Trustee, under the terms of a trust established under Irish law by a declaration of trust dated 31 October 2018 on discretionary trust for a number of charitable purposes. The Issuer has been established as a special purpose company for the purpose of acquiring the Mortgage Loans and issuing the Notes. The Issuer has no subsidiaries.

The telephone number of the Issuer is + 353 1 5668890.

The legal entity identifier ("LEI") of the Issuer is 6354001ECZ5C5ROCKB97.

CSC Capital Markets (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 the 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 not cured within 30 days (or such other period as shall be agreed between the parties) from the date on which it was notified of such breach. The Corporate Services Provider's principal office is at 28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland.

The principal objects of the Issuer are set out in clause 3 of its Constitution and amongst other things are to purchase, take transfers of, invest in and acquire, by any means, loans or other obligations involving the extension of credit and any security therefor and to raise or borrow money and to grant security over its assets for such purposes.

Neither Bank of Ireland nor BOIMB nor any associated body of any of the foregoing 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 under the Companies Act authorisation and issue of the Notes, the matters referred to or contemplated in this document and the authorisation, execution, delivery and performance of the other documents referred to in this document to which it is a party and matters which are incidental or ancillary to the foregoing.

No financial 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
Jonathan Hanly	28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland	Company Director

Gerard Brennan

28 Fitzwilliam Place, Dublin 2,
D02, P283, Ireland

Company Director

The Secretary of the Issuer is CSC Capital Markets (Ireland) Limited.

Activities

On the Closing Date, the Issuer will acquire from Bank of Ireland a portfolio of residential mortgages originated by Bank of Ireland, BOIMB and ICS respectively. All Mortgage Loans acquired by the Issuer on such date will be financed by the proceeds of the issue of the Notes. The activities of the Issuer will be restricted by the Conditions and the Deed of Charge and will be limited to the issue of the Notes, the ownership of the Mortgage Loans and other assets referred to herein, the exercise of related rights and powers, and other activities referred to herein or reasonably incidental thereto. These activities will include the collection of payments of principal and interest from Borrowers in respect of Mortgage Loans and the operation of arrears procedures.

Substantially all of the above activities will be carried on by the Administrator on an agency basis on behalf of the Issuer and Trustee under the Administration Agreement. Additionally, the Cash Manager will provide cash management and reporting services to the Issuer and the Trustee pursuant to the Administration Agreement. The Issuer (with the consent of the Trustee) or the Trustee may revoke the agency of the Administrator upon the occurrence of certain events of default or insolvency or similar events in relation to the Administrator or, in certain circumstances, following an Event of Default in relation to the Notes. Following such an event as aforesaid, the Issuer may (with the consent of the Trustee) or the Trustee may, subject to certain conditions, appoint a replacement administrator.

THE SELLER

Bank of Ireland is an Irish authorised credit institution, and is a direct wholly-owned subsidiary of BOIG. BOIG is a non-operating holding company and is the ultimate parent of the BOIG group, which includes Bank of Ireland and a number of subsidiary companies of Bank of Ireland operating in the financial services sector.

Bank of Ireland 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 BOIG group is one of the largest financial services groups in Ireland with total assets of €122 billion at 30 June 2018. The address of the registered office of BOI is 40 Mespil Road, Dublin 4, Ireland. BOI's telephone number is + 353 1 637 8000.

On 1 September 2014, the business of ICS was transferred to Bank of Ireland by way of a statutory transfer under Part III of the Central Bank Act 1971.

Bank of Ireland's LEI is Q2GQA2KF6XJ24W42G291.

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 BOIG 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.

BANK OF IRELAND MORTGAGE BANK

BOIMB was incorporated in Ireland on 21 May 2004 as a public limited company under the name Bank of Ireland Mortgage Bank Public Limited Company. It was subsequently re-registered as a public unlimited company under the name Bank of Ireland Mortgage Bank on 23 June 2004. On 19 February 2016 BOIMB adopted a new constitution in accordance with the Companies Act. BOIMB obtained an Irish banking licence under the Irish Central Bank Act, 1971 (as amended) and was registered as a designated mortgage credit institution under the 2001 ACS Act on 1 July 2004. BOIMB is a wholly-owned subsidiary of Bank of Ireland. BOIMB's business consists of the origination and holding and financing of residential mortgage loans, and the carrying on of related activity as permitted under the Asset Covered Securities Act 2001 (the "**2001 ACS Act**").

On 5 July 2004, Bank of Ireland transferred substantially all of the Irish residential mortgage book and related security held by Bank of Ireland at that time to BOIMB under Section 58 of the 2001 ACS Act.

On or immediately prior to the Closing Date, BOIMB transferred its beneficial interest in the BOIMB Loans to Bank of Ireland pursuant to a mortgage sale agreement.

THE MORTGAGE PORTFOLIO

Introduction

The following is a description of some of the characteristics of the Mortgage Loans including details of loan types, the underwriting process and lending criteria.

Unless otherwise indicated, the description that follows relates to types of loans that could be sold to the Issuer as part of the Mortgage Portfolio on the Closing Date.

The Mortgage Portfolio

The Provisional Mortgage Portfolio was drawn up as at 31 January 2019 and was made up of buy-to-let loans (the "**Mortgage Loans**") originated by BOIMB, Bank of Ireland and ICS and secured by mortgages over residential properties located in Ireland, in respect of which the Seller holds beneficial or legal and beneficial title. The Mortgage Portfolio will be identified by the Seller from the Provisional Mortgage Portfolio after excluding Mortgage Loans which, at any time prior to the Closing Date, are found not to comply with the warranties to be given in respect of the Mortgage Loans on the Closing Date as set out in the Mortgage Sale Agreement.

The majority of the Mortgage Loans in the Provisional Mortgage Portfolio were originated as buy-to-let mortgage loans, meaning that the proceeds of such Mortgage Loans were used to purchase residential property in Ireland for letting purposes ("**Buy-to-Let Mortgages**").

Certain other Mortgage Loans in the Provisional Mortgage Portfolio were originated as residential mortgage loans meaning that the proceeds of such Mortgage Loans were used to purchase residential property in Ireland constituting (at the time of origination) the principal dwelling house ("**PDH**") of the relevant Borrower ("**Owner Occupier Mortgages**"). These Mortgage Loans have subsequently become buy-to-let Mortgage Loans as the residential property secured is no longer the PDH of the relevant Borrower.

The Mortgage Loans in the Mortgage Portfolio are treated as non-performing exposures from a regulatory perspective. The Mortgage Loans were originated as prime loans and many have been subsequently restructured to restore sustainable repayment performance. Therefore the historical arrears profile has been higher than is represented at the Cut-Off Date. For the avoidance of doubt, no mortgage loans will be added to the Mortgage Portfolio after the Closing Date.

Fewer than 35 of the Mortgage Loans in the Mortgage Portfolio have been identified as subject to a minor miscalculation of repayments. This resulted in a small underpayment of capital by the relevant Borrowers and, in some cases, a small overpayment of interest. Pursuant to the Mortgage Sale Agreement, Bank of Ireland in its capacity as Seller will undertake to refund any interest overpayment and will also make a compensation payment in respect of the overpayment directly to the relevant Borrowers. Any underpayment of capital is not being treated as arrears.

Origination of the Mortgage Portfolio

All of the Mortgage Loans in the Mortgage Portfolio were originated by Bank of Ireland, BOIMB or ICS (together the "**Original Lenders**" and each an "**Original Lender** ") between 1993 and 2014.

For the purposes of this section:

"Bank of Ireland Mortgage Loans" means Mortgage Loans originated by Bank of Ireland.

"BOIMB Mortgage Loans" means Mortgage Loans originated by BOIMB.

"ICS Mortgage Loans" means Mortgage Loans originated by ICS.

Characteristics of the Provisional Mortgage Portfolio

Borrower Types

In respect of Mortgage Loans that were Buy-to-Let Mortgages at origination, Borrowers were classified as either a Standard Investor (a "**Standard Investor**") or a Professional Investor (a "**Professional Investor**"), each as described further below.

A Standard Investor is any of the following:

- (a) From 2001, a borrower owning less than 3 buy-to-let properties;
- (b) From August 2003, a borrower owning less than 2 buy-to-let properties;
- (c) From November 2004, a borrower owning less than 3 buy-to-let properties;
- (d) From July 2006, a borrower owning (i) less than 3 buy-to-let properties; or (ii) a portfolio of 3 or more buy-to-let properties mortgaged with the relevant Original Lender where the aggregate LTV for those buy-to-let properties was less than 80 per cent;
- (e) From June 2007, a borrower that: (i) owned less than 3 buy-to-let properties; or (ii) had personal income (excluding rents) of over €100,000 for sole borrowers or €150,000 for joint borrowers;
- (f) From July 2008, a borrower owning less than 3 buy-to-let properties;
- (g) From November 2009, a borrower with a primary diversified source of income in addition to rental income (i.e. the majority of income is derived from a source that is not property related);
- (h) From November 2010, a borrower: (i) with a primary diversified source of income in addition to rental income (i.e. the majority of income is derived from a source that is not property related); and (ii) owning less than 3 buy-to-let properties; and
- (i) From December 2013 to November 2015, a borrower: (i) owning less than 3 buy-to-let properties; (ii) with aggregate buy-to-let mortgage debt of no more than €500,000; and (iii) the majority of the borrower's income source was not derived from property related sources in certain circumstances.

A Professional Investor is any of the following:

- (a) From 2001, a borrower owning 3 or more buy-to-let properties;
- (b) From August 2003, a borrower owning more than 2 buy-to-let properties;
- (c) From November 2004, a borrower owning more than 3 buy-to-let properties;
- (d) In January 2005, ICS introduced a minimum income threshold of over €100,000 per annum for Professional Investors;
- (e) From July 2006, a borrower owning: (i) more than 3 buy-to-let properties; or (ii) a portfolio of buy-to-let properties mortgaged with the Original Lenders where the overall LTV was less than or equal to 80per cent;
- (f) From June 2007, a borrower owning: (i) more than 2 buy-to-let properties; or (ii) a portfolio of buy-to-let properties where repayment capacity could be established from that portfolio independently of personal income; or (c) a sole borrower who earned over €100,000 or €150,000 for joint borrowers;
- (g) From July 2008, a borrower owning more than 3 buy-to-let properties; and

- (h) Since November 2009, a borrower who: (i) does not meet the definition of a Standard Investor; or (ii) has an occupation associated with the property market or a borrower whose only source or the majority of their income was derived from rental income e.g. a landlord.

As certain Mortgage Loans in the Provisional Mortgage Portfolio were secured by Owner Occupier Mortgages at origination, Borrowers may also comprise an individual or individuals who were not assessed as a Standard Investor or Professional Investor at origination.

Interest Rate Types

The interest rate terms for each Mortgage Loan will comprise any of the following types:

- (a) Mortgage Loans which are subject to a standard variable rate of interest or a variable rate of interest as set by the relevant Legal Title Holder ("**Variable Rate Mortgage Loans**");
- (b) Mortgage Loans which are subject to a fixed rate of interest set by reference to a pre-determined rate or series of rates for a fixed period or periods ("**Fixed Rate Mortgage Loans**"), where following the end of such period each such Mortgage Loan will revert to either a Variable Rate Mortgage Loan or a Tracker Rate Mortgage Loan; and
- (c) Mortgage Loans which are ECB-linked mortgages where the applicable rate of interest is calculated by reference to the European Central Bank base rate (the "**ECB Rate**") plus a margin of between 0.65 per cent. and 1.60 per cent. ("**Tracker Rate Mortgage Loans**").

At the time of restructuring, the variable rate applied to Variable Rate Mortgage Loans is implemented on Bank of Ireland systems through the use of specific product codes (i.e. interest rates). Bank of Ireland has a significant number of Borrowers outside the Mortgage Portfolio with Variable Rate Loans which reference the same product codes.

Types of Repayment Terms

The type of repayment terms contained within each Mortgage Loan will comprise any of the following types (including possible combinations thereof):

- (a) Mortgage Loans in relation to which monthly instalments normally cover both interest and principal, which are payable until the mortgage loan is fully repaid at its maturity ("**Repayment Mortgage Loans**");
- (b) Mortgage Loans in relation to which the principal amount is not repayable before maturity and which require a policy of endowment life assurance (which is in certain cases a unit linked policy (an "**Endowment Policy**") to be charged by way of collateral security ("**Endowment Mortgage Loans**");
- (c) Mortgage Loans in relation to which monthly repayments cover interest only either for a specified period or for the duration of the term of the Mortgage Loan ("**Interest Only Mortgage Loans**");
- (d) Mortgage Loans which have post origination been divided into two accounts with a view to reducing the relevant Borrower's monthly repayments ("**Split Mortgage Loans**"). Please see "*The Administrator and the Administration Agreement – Split Mortgage Loans*" below for further information; and
- (e) Mortgage Loans in relation to which monthly repayments cover interest only for the term of the Mortgage Loan and where the principal amount is to be repaid on maturity from the proceeds of the borrower's personal pension policy which must have a projected maturity value of at least twice the value of the Mortgage Loan ("**Pension Backed Mortgage Loans**").

Mortgage Conditions

The Mortgage Loans are documented by a loan offer letter and mortgage deed which include the general conditions applicable at the time of origination (or at the time of a subsequent variation of the Mortgage Loan) and special conditions (documented in the relevant offer letters). Such special conditions may include certain loan-specific terms.

Underwriting Approach at Origination

The underwriting approach of the Original Lenders has changed over time. The following summarises the underwriting approach adopted by the Original Lenders at origination with respect to the Mortgage Loans which may form part of the Provisional Mortgage Portfolio:

Buy-to-Let Mortgages Underwriting Approach:

Term

Prior to 2015, the maximum term for a Repayment Mortgage Loan secured over buy-to-let property was 25 years. From 2001 - 2003, the standard maximum term for Buy-to-let Mortgages was 20 years but a term of 25 years could be considered by exception. From 2003 onwards, the maximum term for Buy-to-Let Mortgages (regardless of repayment terms) was 20 years, subject to a maximum borrower age restriction was introduced requiring the relevant borrower to be less than 70 years old at the end of the mortgage term.

Loan to Value

- (a) The loan to value ratio is calculated by dividing the loan amount approved at completion of the relevant Mortgage Loan by the valuation of the Property or the contract price of the Property, whichever is the lesser amount; and
- (b) The loan to value ratios and criteria applicable to the Mortgage Loans in the Provisional Mortgage Portfolio vary depending on borrower type, mortgage type, property type and other factors. For more details, see "*Lending Criteria - Residential loan amount to related property value ratio*" below.

Insurance

Neither mortgage indemnity insurance nor mortgage protection (life assurance) insurance is required for Buy-to-Let Mortgages.

Income and Repayment Capacity

For Buy-to-Let Mortgages, the borrower's repayment capacity is determined by:

- (a) the borrower's personal income or other property related income e.g. rental income from other buy-to-let properties; and
- (b) the ratio of rental income on the buy-to-let property to the proposed mortgage repayments (capital and interest or interest-only, as appropriate) in accordance with the relevant Original Lender's rental to repayment cover ratio criteria.

Income requirements

- (a) From 2001 to 2003, minimum income eligibility criteria did not apply;
- (b) From August 2003, the following minimum income eligibility criteria were introduced for Standard Investors:
 - a. €40,000 for sole borrowers (or joint borrowers where one was employed); or
 - b. €60,000 for joint borrowers where both were working;

- (c) From June 2007 to June 2008, the minimum income eligibility requirement for Professional Investors was personal income (excluding rental income) of €100,000 or more for sole borrowers or €150,000 or more for joint borrowers;
- (d) Since November 2009, a Professional Investor's income must be derived from an occupation associated with the property market or where the majority of income is derived from property income; and
- (e) From December 2013 to November 2015, the minimum income eligibility requirement for Standard Investors was personal income of €100,000 from non-property related sources.

Rental income requirements

- (a) From 2001 to October 2004, the amount of rental income used to assess a borrower's repayment capacity (the "**Allowable Rental Income**") was capped at:
 - a. 90 per cent.; or
 - b. 75 per cent. (if the property experienced regular rental voids); or
 - c. 33 per cent. (if the property was a holiday/seasonal let property).
- (b) From November 2004, Allowable Rental Income was capped at 75 per cent. for Standard Investors and 85 per cent. for Professional Investors;
- (c) From January 2005, Allowable Rental Income for Standard Investors was capped at 80 per cent. in respect of Repayment Mortgages or 75 per cent. in respect of Interest Only Mortgages. Allowable Rental Income for Professional Investors was capped at 85 per cent. for all Mortgage Loan types;
- (d) From July 2006, Allowable Rental Income was capped at: (i) 75 per cent. for Standard Investors who owned less than 3 buy-to-let properties; (ii) 85 per cent. for Standard Investors with portfolios of buy-to-let properties mortgaged with the Original Lenders which had an aggregate LTV in excess of 80 per cent.; and (iii) 100 per cent. for Professional Investors;
- (e) From June 2007, Allowable Rental Income was capped at 75 per cent. for Standard Investors. For Professional Investors, Allowable Rental Income was (i) 100 per cent.; or (ii) 90 per cent. where the Professional Investor's personal non-property related income was required to support repayment servicing. If a Professional Personal Income Investor (as defined below) did not meet the required LRCCR Interest Coverage Ratio (as defined below), they were assessed as a Standard Investor and Allowable Rental Income was capped at 85 per cent.;
- (f) From November 2009, for Standard Investors where the buy-to-let Property was considered a seasonal/holiday let, student accommodation or local authority tenanted, the Allowable Rental Income was capped at 60 per cent. For Professional Investors, Allowable Rental Income was capped at 60 per cent. regardless of property type;
- (g) From November 2010, Allowable Rental Income was 100 per cent. for Standard Investors (except for buy-to-let properties considered to be seasonal/holiday lets, student accommodation or local authority tenanted where Allowable Rental Income was then 75 per cent.); and
- (h) Since December 2013, Allowable Rental Income for Standard Investors is capped at 70 per cent. or 60 per cent. for seasonal/holiday let, student accommodation or local authority tenanted.

Loan Repayment Cover Criteria

A Borrower's repayment capacity was determined by use of the following repayment cover ratios:

- (a) the amount of Allowable Rental Income on the proposed buy-to-let property divided by the amount of the interest-only mortgage loan repayments on that buy-to-let property after applying a stress rate of interest (the “**BTL Servicing Cover Ratio**”);
- (b) the amount of Allowable Rental Income on a borrower’s portfolio of buy-to-let properties including the proposed buy-to-let property divided by the amount of interest-only mortgage loan repayments on those buy-to-let properties after applying a stress rate of interest (the “**BTL Portfolio Servicing Ratio**”);
- (c) the amount of Allowable Rental Income on the proposed buy-to-let property divided by the amount of the principal and interest mortgage loan repayments on that buy-to-let property after applying a stress rate of interest (the “**BTL Cover Ratio**”);
- (d) the amount of Allowable Rental Income on a borrower’s portfolio of buy-to-let properties including the proposed buy-to-let property divided by the amount of the principal and interest mortgage loan repayments on those buy-to-let properties after applying a stress rate of interest (the “**BTL Portfolio Yield Ratio**”);
- (e) the amount of a borrower’s total gross income (salary, Allowable Rental Income on the borrower’s buy-to-let properties including the proposed buy-to-let property and any other income) less taxation and expenses (financial commitments, buy-to-let property expenses, living expenses) divided by the amount of the principal and interest mortgage loan repayments on the proposed buy-to-let property after applying a stress rate of interest (the “**LRCR**”);
- (f) the amount of a borrower’s total gross income (salary, Allowable Rental Income on the borrower’s buy-to-let properties including the proposed buy-to-let property and any other income) less taxation and expenses (financial commitments, buy-to-let property expenses, living expenses) divided by the amount of the interest-only mortgage loan repayments on the proposed buy-to-let property after applying a stress rate of interest (the “**LRCR Interest Cover Ratio**”); or the
- (g) the amount of a borrower’s total gross income (salary, Allowable Rental Income on the borrower’s buy-to-let properties including the proposed buy-to-let property and any other income) less taxation and expenses (but excluding the amount of mortgage repayments on the borrower’s PDH) divided by the amount of the principal and interest mortgage loan repayments on the proposed buy-to-let property and on the borrower’s PDH after applying a stress rate of interest (the “**RIL Cover Ratio**”).

The details of the application of these ratios is set out below.

- (a) From 2001, borrower repayment capacity was assessed using the BTL Cover Ratio and a minimum of 1.25 was required. The stress rate applied was the relevant Original Lender’s standard variable rate for Buy-to-Let Mortgages at the time of assessment (the “**SVR**”) plus 3% or, if the interest rate was fixed for 3 or more years, the actual interest rate (the “**Actual Fixed Rate**”) could be used as the stress rate;
- (b) From July 2003, the stress rate was reduced to the SVR plus 2% (or, if applicable, the Actual Fixed Rate) and in both cases assuming minimum living expenses of €12,000 for sole borrowers or €24,000 for joint borrowers;
- (c) From November 2004, borrower repayment capacity was assessed using the RIL Cover Ratio which had to be a minimum of 1.0. The stress rate applied was the SVR plus 2% for a term of 25 years on the borrower’s mortgage repayments on their buy-to-let property and for a term of 30 years on the borrower’s mortgage repayments on their PDH. The RIL Cover Ratio assumed the following minimum living expenses: 25% of gross salary for sole borrowers up to a maximum of €18,000 and 30% of income for joint borrowers up to a maximum of €33,000;
- (d) From July 2006, the ratio used to assess borrower repayment capacity depended on the borrower type i.e. Standard Investor or Professional Investor:

- i. For Standard Investors, the LRCR was used to assess borrower repayment capacity and had to be a minimum of 1.00. The stress rate applied was the ECB rate plus 3%. The LRCR assumed the following minimum living expenses of: (i) €16,800 for sole borrowers; (ii) €26, 400 for joint borrowers where one borrower was employed; or (iii) €31,200 for joint borrowers where both borrowers were employed.
- ii. For Professional Investors, the BTL Portfolio Servicing Ratio was used to assess borrower repayment capacity and had to be a minimum of 1.3 after applying a stress rate of the ECB rate plus 0.95%.

(e) From June 2007:

- i. For Standard Investors, the amount of minimum living expenses assumed for the LRCR was €18,000 for sole borrowers (up to a maximum of €35,000) and €35,000 for joint borrowers (up to a maximum of €60,000). The stress rate applied to the borrower's mortgage repayments on their PDH was the ECB rate plus 3.5% over a term 30 years. The stress rate applied to the borrower's mortgage repayments on their BTL property was the ECB rate plus 3% over the term of that BTL mortgage loan.
- ii. For Professional Investors:
 - a. Where the Professional Investor's repayment capacity was derived from a portfolio of buy-to-let properties and independent of the Professional Investor's personal income (a "**Professional Rental Income Investor**", the BTL Servicing Cover Ratio was used to assess borrower repayment capacity and had to be a minimum of 1.30 after applying a stress rate of the ECB rate plus 0.95%; and
 - b. Where the Professional Investor's repayment capacity was also dependent on their personal income which had to be a minimum of €100,000 for sole borrowers and over €150,000 for joint borrowers (a "**Professional Personal Income Investor**"), the LRCR Interest Cover Ratio was used to assess borrower repayment capacity and had to be a minimum of 1.15 after applying a stress rate of the ECB rate plus 2% on the borrower's mortgage loan repayments on the proposed buy-to-let property and a stress rate of the ECB rate plus 3.5% over 30 years was applied to the borrower's mortgage loan repayments on their PDH;

(f) From July 2008:

- i. For Standard Investors, the stress rate was amended to the ECB rate plus 3.6%.
- ii. For Professional Personal Income Investors, the stress rate was amended to the ECB rate plus 3.45%.
- iii. For Professional Rental Income Investors, the stress rate was amended to the ECB rate plus 2%;

(g) From November 2009:

- i. For Standard Investors, repayment capacity was assessed using the LRCR Interest Cover Ratio which only permitted 50% of the borrower's non-property related income to be included in the ratio calculation. A minimum ratio of 1.0 was required. The stress rate applied to the borrower's mortgage loan repayments on their PDH were 5% over a term of 30 years. The stress rate applied to the borrower's mortgage loan repayments on the proposed BTL property was the higher of 7% or the SVR plus 2%.

- ii. For Professional Investors, BTL Portfolio Yield Ratio was now used to assess borrower repayment capacity and a minimum of greater than 1.0 was required after applying a stress rate of 7%;
- (h) From November 2010:
- i. For Standard Investors, repayment capacity returned to being assessed via the LRRCR and the LRRCR required was 1.0.
 - ii. For Professional Investors, borrower repayment capacity was now assessed using the BTL Cover Ratio and had to be a minimum of 1.0; and
- (i) From September 2011;
- i. For Standard Investors, both of the LRRCR and the BTL Servicing Ratios were used to assess repayment capacity and had to be a minimum of 1.0.
 - ii. For Professional Investors, borrower repayment capacity as assessed using the BTL Portfolio Yield Ratio which had to be a minimum of 1.0 times.

Minimum Property Values

Prior to 2003 there were no restrictions on property type or minimum property values applicable to Buy-to-Let Mortgages. From 2003 onwards, a property secured by a Buy-to-Let Mortgage was required to meet the following minimum value (the "**Minimum Property Value**" or "**MPV**") and property type requirements:

- (a) Repayment Mortgage Loans: MPV of €150,000 for properties located in Dublin City and County and €80,000 for properties located elsewhere in Ireland;
- (b) Interest Only Mortgage Loans: MPV of €200,000 for properties located in Dublin City and County and €125,000 for properties located elsewhere in Ireland; and
- (c) Pension Backed Mortgage Loans: MPV of €300,000 for properties located in Dublin City and County and €200,000 for properties located elsewhere in Ireland. Tax designated and holiday home properties not permitted to be funded by Pension Backed Mortgages.

From January 2005 onwards:

- (a) Repayment Mortgage Loans: MPV of €200,000 for properties located in Dublin City and County and €100,000 for properties located elsewhere in Ireland;
- (b) Interest Only Mortgage Loans: MPV of €200,000 for properties located in Dublin City and County and €125,000 for properties located elsewhere in Ireland; and
- (c) Tax designated and holiday home properties were not permitted to be funded by buy-to-let mortgage loans.

From July 2006, MPV of €250,000 for properties located in Dublin City and County and €125,000 for properties located elsewhere in Ireland. Hotel suites and retirement village properties not permitted to be funded by buy-to-let mortgage loans.

From June 2007:

(a) Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans: MPV of €300,000 for properties located in Dublin City and County, €200,000 for Cork, Galway and Limerick cities and €150,000 for properties located elsewhere in Ireland; and

(b) ICS Mortgage Loans: MPV of €250,000 for Dublin City and County and €150,000 for properties located elsewhere in Ireland.

From July 2008, MPV of €350,000 for properties located in Dublin City and County, €250,000 for Cork, Galway and Limerick cities and €200,000 for properties located elsewhere in Ireland required by all Original Lenders.

From November 2009, MPV of €250,000 for properties located in Dublin City and County, €200,000 for Cork, Galway and Limerick cities and €170,000 for properties located elsewhere in Ireland required by all Original Lenders. For Pension Backed Mortgage Loans, MPV of €750,000 in Dublin and €500,000 for properties located elsewhere in Ireland.

From November 2010, MPV of €200,000 for properties located in Dublin City and County, €175,000 for Cork, Galway and Limerick cities and €150,000 for properties located elsewhere in Ireland required by all Original Lenders.

From September 2011, MPV of €150,000 for properties located in Dublin City and County, €125,000 for Cork, Galway and Limerick cities and €100,000 for properties located elsewhere in Ireland required by all Original Lenders.

From August 2012, MPV of €135,000 for properties located in Dublin City and County, €115,000 for Cork, Galway and Limerick cities and €90,000 for properties located elsewhere in Ireland required by all Original Lenders.

From December 2013 to October 2015, MPV of €135,000 for properties located in Dublin City and County, €115,000 for Cork, Galway and Limerick cities and €90,000 for properties located elsewhere in Ireland required by all Original Lenders.

Owner Occupier Mortgages Underwriting Approach:

Term

The maximum term of an Owner Occupier Mortgage was:

- (a) prior to 1999, 30 years;
- (b) from 1999, 35 years for first time buyers and 30 years for other borrower types; and
- (c) from August 2004, 35 years for borrowers employed in certain professions availing of a 100 per cent. mortgage product.

Loan to Value

- (a) The loan to value ratio is calculated by dividing the loan amount approved at completion of the relevant Mortgage Loan by the valuation of the Property or the contract price of the Property, whichever is the lesser amount; and
- (b) The loan to value ratios and criteria applicable to the Mortgage Loans in the Provisional Mortgage Portfolio vary depending on borrower type, mortgage type, property type and other factors. For more details, see "*Lending Criteria - Residential loan amount to related property value ratio*" below.

Insurance

All borrowers are required to hold mortgage protection insurance which must be assigned to the relevant Original Lender.

Repayment Capacity - Net Disposable Income

The principal amount of a Mortgage Loan secured by an Owner Occupier Mortgage was determined by the relevant Original Lender based on the borrower's repayment capacity based on the borrower's net disposable income.

Net disposable income was calculated by taking a borrower's gross monthly earned income and deducting income related taxes, social insurance contribution, any property tax and repayments on the requested mortgage (after applying a stress rate of interest), fixed financial commitments and a monthly deduction for each dependant.

The remaining income is the "**Net Disposable Income**" or "**NDI**". Further details of the Original Lenders' Net Disposable Income requirements are set out below. Exceptions were permitted to the Net Disposable Income requirements in certain circumstances.

From April 1998, the minimum NDI requirements were as follows:

- (a) Bank of Ireland Mortgage Loans: (i) sole borrowers: £450 per month (one parent family: £600 per month); (ii) joint borrowers: £800 per month; and additional £50 per month for each dependent child of a borrower;
- (b) ICS Mortgage Loans: (i) sole borrower: £450 per month; (ii) joint borrowers: £1,000 per month; and (iii) separated borrower: £800 per month; and
- (c) A stress rate of the standard variable rate plus 2 per cent. to a maximum of 12 per cent. or if the mortgage is for a fixed rate for more than 5 years, the actual fixed interest rate.

From October 1998, the minimum NDI requirements in respect of ICS Mortgage Loans were as follows: (i) sole borrower: £650 per month; (ii) joint borrowers: £1,300 per month; and (iii) separated borrower: £800 per month.

From October 1999, the minimum NDI requirements in respect of Bank of Ireland Mortgage Loans were: (i) sole borrowers: £550 per month (one parent family: £700 per month); (ii) joint borrowers: £1,100 per month; and additional £50 per month for each child of a borrower.

From October 2002, the minimum NDI requirements in respect of Bank of Ireland Mortgage Loans and ICS Mortgage Loans were as follows: (i) sole borrowers: €700 per month; (ii) joint borrowers where both employed: €1,600 per month; (iii) joint borrowers where one employed: €1,525 per month.

From August 2004, the minimum NDI requirements were as follows:

- (a) Bank of Ireland Mortgage Loans, BOIMB Mortgage Loans and ICS Mortgage Loans: (i) sole borrowers: €1,050 per month; (ii) joint borrowers where both employed: €1,800 per month; (iii) joint borrowers where one employed: €1,525 per month;
- (b) In respect of 100 per cent. mortgages: (i) sole borrowers: €1,300 per month, (ii) joint borrowers both employed: €2,000 per month; (iii) joint borrowers, one employed: €1,900 per month; and
- (c) Stress Rate: standard variable rate plus 2 per cent. to a maximum of 12 per cent. or actual mortgage interest rate if rate fixed for more than 3 years.

From August 2006, the minimum NDI requirements were as follows:

In respect of 100 per cent. mortgages: sole borrowers: €1,400 per month; (ii) joint borrowers where both employed: €2,600 per month; (iii) joint borrowers, one employed: €2,000 per month.

From October 2006:

- (a) In respect of 100 per cent. mortgages: sole borrowers: €1,500 per; (ii) joint borrowers where both employed: €2,800 per month where earning an income of less than €90,000 per annum; (iii) joint borrowers earning over €90,000 per annum, €3,000 per month; (iv) joint borrowers, one employed: €2,250 per month for borrowers earning less than €90,000 per annum and €2,600 per month for borrowers earning over €90,000 per annum; and
- (b) Stress Rate: from March 2006, the stress rate was amended to the prevailing ECB rate plus 3 per cent. to a maximum of 12 per cent. regardless of rate chosen by the borrower.

From December 2006, the minimum NDI requirements were as follows for all Original Lenders:

- (a) Sole borrowers: €1,150 per month;
- (b) Joint borrowers where both employed: €2,000 per month;
- (c) Joint borrowers, one employed: €1,600 per month; and
- (d) deductions of €200 per month per dependent if applicable.

From September 2009, the minimum NDI requirements were as follows for all Original Lenders:

- (a) Sole borrowers: €1,200 per month; and
- (b) Stress Rate: 5per cent.

From October 2013, the minimum NDI requirements were as follows for all Original Lenders:

- (a) Sole borrowers: €1,400 per month;
- (b) Joint borrowers both employed: €2,250 per month;
- (c) Joint borrowers, one employed: €2,000 per month;
- (d) deductions of €200 per month per dependent if applicable; and
- (e) Stress Rate: actual mortgage interest rate plus 2per cent. subject to a minimum stress rate of 5per cent.

Minimum Income Requirements

The following minimum income requirements were applied by the Original Lenders in respect of Owner Occupier Mortgages. In addition, certain variable income was also considered. The figures set out below are on a per annum basis.

From April 1998:

- (a) Bank of Ireland Mortgage Loans: No minimum income requirement applicable. Affordability was assessed based on the borrower's NDI. Variable income could be considered in the calculation of NDI, including 25 per cent. of the amount of regular overtime, 100 per cent. of the amount of guaranteed overtime and 25 per cent. of the amount of a guaranteed bonus.
- (b) ICS Mortgage Loans: (i) sole borrower: £16,000 (increased to £18,000 from October 1998); (ii) joint borrowers: £26,000 (increased to £28,000 from October 1998).

From August 2002:

(a) Bank of Ireland Mortgage Loans: variable income could be considered in the calculation of NDI, including 25 per cent. of the amount of regular overtime, commission and bonus, 100 per cent. of the amount of guaranteed overtime, 25 per cent. of the amount of guaranteed bonus and 50 per cent. of the amount of guaranteed commission.

(b) ICS Mortgage Loans: (i) sole borrower: €32,000; (ii) joint borrowers: €45,000.

For borrowers employed with a pre-defined list of employers such as Dublin County Council, The Mater Hospital, Microsoft, Schering Plough, Warner Lambert, Arthur Andersen and Aer Lingus pilots; sole & joint borrowers: €40,000 (at least one joint borrower earning €40,000).

From August 2004:

(a) In respect of 100 per cent. mortgages only: (i) sole borrower: €40,000 (ii) joint borrower: €60,000 where one or both employed.

(b) 100 per cent. mortgages were available to professionals (including lawyers, architects, qualified accountants, doctors, chartered engineers, vets, barristers and pharmacists) employed on a permanent or contract basis or established in practice.

From March 2006:

(a) In respect of 100 per cent. mortgages only: (i) sole borrower: €35,000k (ii) joint borrowers (one/both employed): €60,000

(b) The list of professions eligible for 100 per cent. mortgages expanded to include: actuaries, chartered surveyors, dentists, engineers, opticians, ophthalmologists, orthodontists, pilots, psychologists/psychiatrists, university lecturers, company directors earning over €100,000, self-employed persons earning over €100,000 and Bank of Ireland Group staff and PAYE employees earning over €100,000.

From October 2006:

(a) In respect of 100 per cent. mortgages only: (i) sole borrower €45,000 (ii) joint borrowers (where one or both employed): €80,000

(b) The list of professions eligible for 100 per cent. mortgages expanded to include: civil servants, policemen, nurses, teachers, prison officers, army officer ranks, sole borrowers earning over €100,000 and joint borrowers earning over €150,000. Company directors and self-employed persons earning over €100,000 were removed from the list.

From September 2009, in respect of Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans: variable income considered in the calculation of NDI included 25 per cent. of amount of guaranteed overtime, 20 per cent. of amount of guaranteed bonus and 25 per cent. of amount of guaranteed commission.

Allowable Income Multiples

The principal amount to be advanced under an Owner Occupier Mortgage could not (subject to certain exceptions) exceed the following allowable income multiples:

From April 1998 in respect of Bank of Ireland Mortgage Loans: principal earner: 2.5 times income plus, if applicable, 1.0 time secondary earner's income.

From October 1999 in respect of ICS Mortgage Loans: principal earner: 3.0 times income plus 1.25 times secondary earner's income.

From August 2002:

- (a) Sole borrowers: up to 4.75 times income.
- (b) Joint borrowers, both employed: up to 3.75 times income.
- (c) Joint borrowers, one employed: up to 3.5 times income.

From August 2004:

- (a) Sole borrowers: 5 times income.
- (b) Joint borrowers: 4.5 times income.

For 100 per cent. Mortgage Loans:

- (a) Sole borrowers: 4.5 times income.
- (b) Joint borrowers (both employed): 3.75 times income.
- (c) Joint borrowers (one employed): 3.25 times income.

From March 2006:

- (a) Sole borrowers: up to 5 times income.
- (b) Joint borrowers, both employed: up to 5 times income.
- (c) Joint borrowers, one employed: up to 5 times income.

From March 2006 in respect of 100 per cent. mortgages:

- (a) Sole borrowers: up to 5.0 times income.
- (b) Joint borrowers, both employed: 4.5 times income (amended to up to 5.0 times income in October 2006).
- (c) Joint borrowers, one employed: 4.5 times income (amended in October 2006 up to 5.0 times income).

From September 2009 in respect of sole borrowers, up to 5.25 times income and up to 5 times income in respect of joint borrowers where one or both employed.

From December 2012, in respect of sole borrowers and joint borrowers where one or both employed, up to 4.75 times income.

From October 2013 in respect of sole borrowers, up to 3.75 times income.

Minimum Property Value

A property securing an Owner Occupier Mortgage was required to meet the following MPV and property type requirements.

From April 1998:

- (a) Bank of Ireland Mortgage Loans: No MPVs applicable.

- (b) ICS Mortgage Loans: MPV of £100,000 for properties located in Dublin City and County and £75,000 for properties located elsewhere in Ireland.

From August 2002, MPV of €150,000 for properties located in Dublin City and County and €80,000 for properties located elsewhere in Ireland.

From August 2004:

- (a) Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans: MPV of €175,000 for properties located in Dublin City and County and €90,000 for properties located elsewhere in Ireland.
- (b) ICS Mortgage Loans: MPV of €250,000 for properties located in Dublin City and County and €125,000 for properties located elsewhere in Ireland.
- (c) In respect of 100 per cent. mortgages: MPV of €200,000 for properties located in Dublin City and County and €125,000 for properties located elsewhere in Ireland.

From August 2006, in respect of 100 per cent. mortgages, MPV of €250,000 for properties located in Dublin City and County and €150,000 for properties located elsewhere in Ireland. In addition, properties required at least 2 bedrooms. Self-build properties were not eligible.

From October 2006, in respect of 100 per cent. mortgages, MPV of €300,000 for properties located in Dublin, €200,000 for properties located in Cork / Limerick / Galway cities and €175,000 for properties located elsewhere in Ireland.

From December 2006:

- (a) Bank of Ireland Mortgage Loans, BOIMB Mortgage Loans and ICS Mortgage Loans: MPV of €300,000 for properties located in Dublin City and County.
- (b) ICS Mortgage Loans: MPV of €200,000 for properties located in Ireland but outside Dublin City and County.
- (c) Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans: €200,000 for properties located in Cork, Limerick and Galway cities.
- (d) Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans: €150,000 for properties in Ireland located outside of Dublin City and County and Galway, Cork and Limerick cities.

From September 2009, in respect of ICS Mortgage Loans, MPV of €750,000 for properties located in Dublin City and County, and €500,000 for properties located elsewhere in Ireland.

Since 2009, no Minimum Property Values are required in respect of Bank of Ireland Mortgage Loans or BOIMB Mortgage Loans. Since 2012, no minimum property values have been applied to ICS Mortgage Loans.

Lending Criteria at Origination

The following lending criteria (the “**Lending Criteria**”) will have been applied at origination (subject to certain exceptions) in respect of the Mortgage Loans in the Provisional Mortgage Portfolio save that the Lending Criteria may be varied in the manner described in “*Changes to Lending Criteria and Exceptions*” below.

Key Features of Lending Criteria

The Lending Criteria applicable to the Initial Advance under each Mortgage Loan in the Provisional Mortgage Portfolio include, but are not limited to, the following:

- (a) all Borrowers must have a satisfactory credit history;
- (b) all Mortgage Loans are credit scored;
- (c) all Mortgage Loans must be secured by a first legal mortgage on one or more leasehold or freehold properties. If the property is leasehold, the lease must have a minimum unexpired term of 70 years; and
- (d) senior underwriters have the authority to approve Mortgage Loans outside of the Lending Criteria provided that the rationale for the decision is documented.

Key Features of Related Security

The Related Security in respect of each of the Mortgage Loans in the Provisional Mortgage Portfolio has, *inter alia*, the following key features:

- (a) Each of the Mortgage Loans is secured by a first fixed mortgage or charge over a property in Ireland, or by a subsequent ranking fixed mortgage or charge only to the extent that every prior ranking mortgage or charge on principal security is also held by the relevant Legal Title Holder.
- (b) The legal title in the property being taken as security is "good marketable title" as determined from time to time by the Law Society of Ireland.
- (c) In all cases a valuation is required to be performed by a valuer, being a valuer at the time of such valuation that is listed on the Bank of Ireland's listing of valuers or is otherwise acceptable to Bank of Ireland, except prior to May 2011 for certain equity release advances where an existing acceptable valuation report is held.
- (d) Whilst loans are made in circumstances where the property is under construction (self-builds), such loans are not included in the Mortgage Portfolio.
- (e) Buy-to-let borrowers are not required to effect life assurance.
- (f) Borrowers are generally required to effect and maintain a property insurance policy in an amount sufficient to recover the reinstatement value of the property and the relevant Original Lender is a joint insured or its interest is noted on said policies. The obligations of the borrower may be met if such insurance is effected and maintained by another person with an interest in the relevant property and the relevant Original Lender is a joint insured or its interest is noted on such policy.

Loan to value

General

The loan to value ratio is calculated by dividing the loan amount approved at completion of the relevant Mortgage Loan by the valuation of the Property or the contract price of the Property, whichever is the lesser amount.

LTV requirements in respect of Buy-to-Let Mortgages:

- (a) From 2001 to July 2003, the loan to value ratio ("**LTV**") at the date of the initial advance could not exceed:
 - i. 75 per cent. for Repayment Mortgage Loans; and
 - ii. 65 per cent. for Interest Only Mortgage Loans.
- (b) From August 2003, the LTV at the date of the initial advance could not exceed:
 - i. Repayment Mortgage Loans;
 - a. 85 per cent. where loan amount is less than €350,000.

- b. 80 per cent. where loan amount is equal to or more than €350,000.
 - c. 75 per cent. for tax designated properties and holiday homes.
 - d. 100 per cent. for Professional Investors only, where there was sufficient equity in another buy-to-let property mortgaged with an Original Lender and provided that the aggregate LTV did not exceed 75per cent.
- ii. Interest Only Mortgage Loans;
 - a. 80 per cent. where loan amount is less than €350,000.
 - b. 75 per cent. where loan amount is equal to or more than €350,000.
 - c. 75 per cent. for tax designated properties and holiday homes.
- (c) From January 2005, the LTV at the date of the initial advance could not exceed:
- i. Repayment Mortgage Loans;
 - a. 80 per cent. for Standard Investors (no amount restrictions).
 - b. For Professional Investors only, 90 per cent. for loan amounts of less than €650,000.
 - c. For Professional Investors only, 85 per cent. for loan amounts is equal to or greater than €650,000.
 - ii. Interest Only Mortgage Loans;
 - a. For Standard Investors, 70 per cent. (maximum interest-only term of 3 years allowed).
 - b. For Professional Investors, 80 per cent. (maximum interest-only term of 10 years allowed).
 - c. 80 per cent. for Pension Backed Mortgages (no amount restrictions).
- (d) From July 2006, the LTV at the date of the initial advance could not exceed:
- i. Repayment Mortgage Loans;
 - a. 85 per cent. for Standard Investors who own less than 3 BTL properties.
 - b. 90 per cent. for Standard Investors with more 3 BTL properties mortgaged with the Original Lenders where the aggregate LTV was greater than 80 per cent.
 - c. 90 per cent. for Professional Investors.
 - i. Interest Only Mortgage Loans;
 - a. 75 per cent. for Standard Investors who own less than 3 BTL properties (a maximum 3 year interest-only period was allowed).
 - b. 85 per cent. for Standard Investors with 3 or more BTL properties mortgaged with the Original Lenders where the aggregate LTV was greater than 80per cent.(a maximum 7 year interest only period was allowed).

- c. 85 per cent. for Professional Investors only (a maximum 7 year interest-only period was allowed).

(g) From June 2007, the LTV at the date of the initial advance could not exceed:

- i. Repayment Mortgage Loans;
 - a. 85 per cent. for Standard Investors.
 - b. 90 per cent. for Professional Investors.
 - c. 70 per cent. for Professional Personal Income Investors.
- ii. Interest Only Mortgage Loans;
 - a. 75 per cent. for Standard Investors who own less than 3 buy-to-let properties.
 - b. 85 per cent. for Professional Investors.
 - c. 70 per cent. for Professional Personal Income Investors.

(h) From July 2008, the LTV at the date of the initial advance could not exceed the rates below. ICS also introduced a restriction on Standard Investors whereby the aggregate LTV on buy-to-let properties held by a Standard Investor (the “**Aggregate LTV**”) could not exceed 65 per cent.:

- i. Repayment Mortgage Loans;
 - a. 80 per cent. for Standard Investors.
 - b. 85 per cent. for Professional Investors.
 - c. 70 per cent. for Professional Personal Income Investors.
- i. Interest Only Mortgage Loans;
 - a. 70 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans for Standard Investors who own less than 3 buy-to-let properties (interest-only period allowable reduced to a maximum of 2 years).
 - b. 75 per cent. for ICS Mortgage Loans.
 - c. 80 per cent. for Professional Investors (interest-only period allowable for Professional Investors reduced to 5 years).
 - d. 70 per cent. for Professional Personal Income Investors.

(i) From November 2009, the LTV at the date of the initial advance could not exceed the rates set out below. BOIMB also introduced a restriction on Standard Investors whereby the Aggregate LTV could not exceed 65per cent.:

- i. Repayment Mortgage Loans for Standard Investors;
 - a. 80 per cent. for ICS Mortgage Loans.
 - b. 80 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans of less than €550,000.

- c. 70 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans of between €550,000 and €750,000.
 - d. 65 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans exceeding €750,000.
 - ii. Interest Only Mortgage Loans for Standard Investors;
 - a. 70 per cent. for ICS Mortgage Loans.
 - b. 70 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans of less than €550,000.
 - c. 60 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans of between €550,000 and €750,000.
 - d. 55 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans exceeding €750,000.
 - e. The maximum interest-only period amended to 3 years (BOIMB Mortgage Loans and Bank of Ireland Mortgage Loans) or 5 years (ICS Mortgage Loans).
 - iii. For professional Investors, 50%.
- (j) From November 2010, the LTV at the date of the initial advance could not exceed the rates set out below and the Aggregate LTV for Standard Investors was reduced to 60per cent.:
 - i. Repayment Mortgage Loans for Standard Investors;
 - a. 75 per cent. for Mortgage Loans of less than €550,000.
 - b. 65 per cent. for Mortgage Loans between €550,000 and €750,000.
 - c. 60 per cent. for Mortgage Loans exceeding €750,000.
 - d. Maximum LTV restrictions introduced for apartments outside Dublin, Cork, Limerick and Galway: 60 per cent. for ICS Mortgage Loans and 65 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans.
 - ii. Interest Only Mortgage Loans for Standard Investors;
 - a. 65 per cent. for Mortgage Loans of less than €550,000.
 - b. 55 per cent. for Mortgage Loans between €550,000 and €750,000.
 - c. 50 per cent. for Mortgage Loans exceeding €750,000.
 - d. Maximum LTV restrictions introduced for apartments outside Dublin, Cork, Limerick and Galway: 60 per cent. for ICS Mortgage Loans and 65 per cent. for Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans.
 - e. Maximum interest-only period amended to 5 years.
 - iii. For Professional Investors, 50%.

- (k) In August 2012, the Aggregate LTV restriction was removed for Standard Investors. For Professional Investors, an Aggregate LTV of 60% was introduced.
- (l) Since December 2013, the LTV at the date of the initial advance could not exceed:
- a. 75 per cent. for Standard Investors .
 - b. For apartments outside Dublin, Cork, Limerick and Galway, 50 per cent. for a one bedroom apartment and 65 per cent. for a two bedroom apartment
 - c. Professional Investors: 50 per cent.
 - d. If the Aggregate LTV is less than 50 per cent., Standard Investors can avail of a 5 year interest-only period otherwise a maximum of 1 year interest-only period is allowed.
 - e. Professional Investors can avail of a maximum interest-only period of 2 years.
- (m) A Pension Backed Mortgage for buy-to-let properties was introduced for Professional Investors and self-employed borrowers in August 2003. The maximum permitted LTV was 80 per cent. for loan amounts of €350,000 or less or 75 per cent. for loan amounts exceeding €350,000. The maximum interest-only portion of the mortgage loan was restricted to the lower of 50 per cent. of the property value or purchase price and the interest-only portion of the mortgage loan was available at interest-only for the full term of the mortgage. Holiday/seasonally let properties were excluded as security. A pension growth rate of more than 6 per cent. per annum was required (amended to 4 per cent. in July 2008) and the borrower's projected final pension fund had to be twice the amount of the pension backed interest-only portion of the mortgage. The product was withdrawn in 2012.

LTV requirements in respect of Owner Occupier Mortgages:

- (a) From April 1998, the LTV at the date of the initial advance could not exceed:
- i. Bank of Ireland Mortgage Loans;
 - a. 90 per cent. where the mortgage loan amount is less than £200,000.
 - b. 80 per cent. for loan amounts between £200,000 and £300,000.
 - c. 70 per cent. for mortgage loan amounts exceeding £300,000.
 - d. 70 per cent. for Pension Backed mortgage loans.
 - ii. ICS originated mortgage loans: 92per cent.
- (b) From October 1999, the LTV at the date of the initial advance could not exceed:
- i. For Bank of Ireland Mortgage Loans:
 - a. 90 per cent. where mortgage loan amount is less than £250,000.
 - b. 80 per cent. for mortgage loan amounts between £250,000 and £350,000.
 - c. 70 per cent. for mortgage loans amounts exceeding £350,000.
 - d. 70 per cent. for Pension Backed mortgage loans.
- (c) From August 2002, the LTV at the date of the initial advance could not exceed:

- i. For Bank of Ireland Mortgage Loans:
 - a. for borrowers who are first time buyers (“**FTB**”), 92 per cent. where loan amount is €400,000 or less.
 - b. For borrowers moving from one property to another (“**Movers**”), 90 per cent. where loan amount is €400,000 or less.
 - c. For borrowers switching from another mortgage lender (“**Switchers**”) and for equity release mortgage loans, 80 per cent. in each case for mortgage loan amounts of less than €550,000.
 - d. 80 per cent. for mortgage loan amounts between €400,000 and €550,000.
 - e. 70 per cent. for mortgage loan amounts exceeding €550,000.
- ii. For ICS originated mortgage loans:
 - a. 95 per cent. available for graduates/Interest-Only Mortgages/certain employers.
 - b. For Interest-Only Mortgages, 80 per cent. for mortgage loan amounts of less than €350,000 or 70 per cent. if mortgage loan amount exceeded €350,000.
 - c. Higher LTVs were considered for high net worth/professional borrowers providing that the borrower assigned a level assurance policy (a type of life insurance policy where the sum assured remains the same throughout the term of the policy).

(d) From August 2004, the LTV at the date of the initial advance could not exceed:

- i. For Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans:
 - a. For FTB, 92 per cent. where mortgage loan amount is less than €550,000.
 - b. For Movers and equity release, 90 per cent. where mortgage loan amount is less than €550,000.
 - c. For Switchers, 80 per cent. where mortgage loan amount is less than €550,000.
 - d. 80 per cent. for mortgage loan amounts between €550,000 and €750,000.
 - e. 70 per cent. for mortgage loan amounts exceeding €750,000.
- ii. For ICS originated mortgage loans:
 - a. 80 per cent. for mortgage loan amounts of less than €550,000
 - b. 70 per cent. for mortgage loan amounts exceeding €550,000
 - c. 100 per cent. for professional FTB with a maximum mortgage loan amount of €400k and borrowers had to be at least 23 years of age.

(e) From March 2006, the LTV at the date of the initial advance could not exceed:

- i. For Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans:
 - a. For Movers and equity release, 92 per cent. for loan amounts of less than €550,000

- b. The maximum mortgage loan amount available for 100 per cent. mortgage loan product increased to €550,000.
 - ii. For ICS Mortgage Loans:
 - a. 80 per cent. for mortgage loan amounts of less than €750,000.
 - b. 70 per cent. for mortgage loan amounts exceeding €750,000.
- (f) From June 2007, the LTV in respect of Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans at the date of the initial advance could not exceed 90 per cent. for Switchers where mortgage loan amount is less than €550,000.
- (g) From September 2009, the LTV at the date of the initial advance could not exceed:
 - i. For Bank of Ireland Mortgage Loans and BOIMB Mortgage Loans:
 - a. for equity release mortgage loans and Switchers (without debt consolidation), 90 per cent.
 - b. for Switchers with home related debt consolidation, 80 per cent.
 - c. 75 per cent. for mortgage loan amounts between €550,000 and €750,000.
 - d. 65 per cent. for mortgage loan amounts exceeding €750,000.
 - e. 92 per cent. for apartments in Dublin/Cork/Limerick/Galway cities and 85per cent. for apartments located elsewhere in Ireland.
 - ii. For ICS originated mortgage loans:
 - a. 75 per cent. for loan amounts of less than €750,000.
 - b. 65 per cent. for loan amounts exceeding €750,000.
- (h) From December 2012, the Lending Criteria for the Original Lenders was amalgamated into a single set of Lending Criteria and the LTV at the date of the initial advance could not exceed:
 - a. For FTB and Movers, 90per cent. where mortgage loan amount is less than €550,000.
 - b. For Switchers with home related debt consolidation, 85per cent.
 - c. For Switchers without debt consolidation, 90per cent.
 - d. 85 per cent. for mortgage loan amounts between €550,000 and €750,000.
 - e. 75 per cent. for mortgage loan amounts exceeding €750,000.
 - f. 90 per cent. for apartments in Dublin/Cork/Limerick/Galway cities.
- (i) From October 2013, the LTV at the date of the initial advance could not exceed:
 - a. 80per cent. for Switchers with home related debt consolidation.

Term

Please see "*Underwriting Criteria – Term*" above.

Borrowers

- (a) The borrowers must have a minimum age of 18 (with the exception of 100 per cent. mortgages where the minimum age of borrowers must be 23). From 2003 onwards, a maximum age of 70 at the end of the term of the Mortgage Loan.
- (b) Independently of the number of borrowers who are parties to any one residential loan, the assessment of the loan includes the greater income and status of a maximum of two of the borrowers.
- (c) Borrowers' credit and employment history will have been assessed with the aid of one or more of the following;
 - i. search supplied by the Irish Credit Bureau;
 - ii. search supplied by another credit reference agency;
 - iii. copy of the most recent pay slips and/or the most recent P60 (annual Irish income tax statement given by employers to employees);
 - iv. certified audited accounts;
 - v. accountant's certificate in the form supplied by the Issuer;
 - vi. existing lender's statements;
 - vii. Certificate of Income from current employers; and
 - viii. satisfactory track record with the relevant Original Lender, where applicable.

Income

- (a) Income is determined by reference to the application data and supporting documentation.
- (b) Income is verified in a manner according to the Original Lender's procedures.
- (c) Each borrower must disclose all material liabilities, which are assessed by the relevant Original Lender.
- (d) For BTL borrowers, capacity to repay is calculated by reference to repayment cover ratios, details of which are set out above.

Solicitors

The firm of solicitors acting on behalf of the borrowers, on the granting of a security over Irish residential property, must have at least one practising solicitor who must hold a current practising certificate issued by the Law Society of Ireland.

Changes to Lending Criteria and Exceptions

The Legal Title Holders have the right to change the Lending Criteria from time to time. The Legal Title Holders also have the right to vary or waive the Lending Criteria from time to time and at any time and may have done so in the case of individual Irish residential loans.

Enforcement Procedures

The Seller has established procedures for managing loans that are in arrears, including early contact with borrowers in order to find a solution, where appropriate, to financial difficulties a borrower may anticipate or be experiencing. These same procedures, as from time to time varied in accordance with industry practice and legal

requirements (most recently by the Arrears Code, see further "*Risk Factors - Code of Conduct on Mortgage Arrears and Consumer Protection Code*") will continue to be applied by the Administrator (as defined below) under the terms of the Administration Agreement in respect of arrears arising on the Mortgage Loans to the extent applicable.

Loan Amount

The aggregate maximum exposure amount is €6 million for existing customers. However as at the Cut-Off Date no Mortgage Loan within the Provisional Mortgage Portfolio exceeded €4,365,210.

SALE OF THE MORTGAGE PORTFOLIO UNDER THE MORTGAGE SALE AGREEMENT

Mortgage Sale Agreement

The following section contains an overview of the material terms of the Mortgage Sale Agreement. The overview does not purport to be complete and is subject to the provisions of the Mortgage Sale Agreement.

Sale of the Mortgage Portfolio

Pursuant to the terms of the Mortgage Sale Agreement, the Seller will sell its beneficial interest in a portfolio of Mortgage Loans and their associated mortgages (the "**Mortgages**"), together with the other security for the Mortgage Loans (the "**Related Security**") and all moneys derived therefrom from time to time to the Issuer on the Closing Date. The Seller will undertake to transfer, or procure the transfer of, legal title when required under the terms of the Mortgage Sale Agreement, as described under "*Perfection Trigger Events*" below, and will provide certain further assurances to the Issuer and the Trustee.

The sale by the Seller to the Issuer of the Mortgage Loans in the Mortgage Portfolio (as defined below) will be effected by an equitable assignment. The consideration due to the Seller in respect of the Mortgage Portfolio will be the Consideration.

Sale of Mortgage Loans

The "**Consideration**" means the amount payable by the Issuer to the Seller on the Closing Date as consideration for the purchase of the Mortgage Portfolio, being an amount equal to the proceeds of the Notes *less* the aggregate of the amounts required: to meet the costs and expenses incurred by the Issuer in respect of the issuance of the Notes on the Closing Date; to fund the Senior Reserve Fund up to the Initial Senior Reserve Fund Required Amount and the General Reserve Fund up to the Initial General Reserve Fund Required Amount; and to pay the Interest Rate Cap Fees to the Interest Rate Cap Provider.

The "**Current Balance**" for each Mortgage Loan means, at any date, the aggregate balance on the Borrower's account in respect of a Mortgage Loan at such date being (but avoiding double counting):

- (a) the original principal amount advanced to the Borrower; plus
- (b) any advance of further moneys to the Borrower thereof prior to the Closing Date on the security of or securable on the relevant Property and any amount added to the principal balance of the relevant Mortgage Loan prior to the Closing Date on the terms of the relevant mortgage deed after the date of completion of such Mortgage Loan which remains outstanding as at such date; plus
- (c) all Accrued Interest not yet due and Arrears of Interest which in each case has not been added to the principal amount; plus
- (d) all accrued fees and expenses including, without limitation, insurance premiums,

as at the end of the Business Day immediately preceding that given date, *minus* any repayment or payment (including, if permitted, by way of set-off, withholding or counterclaim) of any of the foregoing made on or before the end of the Business Day immediately preceding that given date and excluding any retentions made but not released.

"**Mortgage Portfolio**" means the portfolio of Mortgage Loans identified by the Seller by excluding from the Provisional Mortgage Portfolio any Mortgage Loans in the Provisional Mortgage Portfolio which, at any time prior to the Closing Date, are found not to comply with the warranties to be given in respect of the Mortgage Loans as at the Cut-Off Date or the Closing Date (as applicable) as set out in the Mortgage Sale Agreement.

Multiple advances

Occasionally Mortgage Loans originated by an Original Lender may comprise more than one advance and/or may be secured by first ranking security over more than one Property ("**Multiple Advances**"). Where more than one advance is made to a Borrower either (i) each advance is secured by a first ranking Mortgage over a Property or (ii) the advances are secured over the same Property such that the security for each advance will rank above all security other than the security in favour of the relevant Original Lender. The rights to all such security will be sold by the Seller to the Issuer in respect of any Mortgage Loan comprising part of the Mortgage Portfolio.

Perfection Trigger Events

Under the Mortgage Sale Agreement and the Deed of Charge, the Issuer and the Trustee (the Trustee's right arising following delivery of an Enforcement Notice) will each be entitled to effect such registrations and give (or require the Seller to give at its cost in such manner as the Issuer or the Trustee may reasonably require) such notices as it considers necessary to protect and perfect its interests in the Mortgage Loans, and to require the Seller (for so long as the Whole Legal Title is held by the Legal Title Holders and upon receipt of a direction from the Issuer) to effect or, in the case of the BOIMB Loans, procure a legal assignment or transfer of the Whole Legal Title in the Mortgage Loans and the Related Security in favour of the Issuer and a legal sub-mortgage over such Mortgage Loans and Related Security in favour of the Trustee, *inter alia*, where:

- (a) such entity is obliged to do so by law, by court order or by a mandatory requirement of any regulatory authority;
- (b) an Enforcement Notice has been given;
- (c) any Insolvency Event has occurred in relation to a Legal Title Holder or any other entity in which legal title to any Mortgage Loan is vested; or
- (d) the Administrator's appointment under the Administration Agreement has been terminated.

Following such legal assignment or transfer and sub-mortgage, the Issuer (with the consent of the Trustee) and the Trustee (following delivery of an Enforcement Notice) will each be entitled to take all necessary steps to protect and perfect legal title to its interests in the Mortgage Loans and Related Security, including the carrying out of any necessary registrations and notifications.

If any Mortgage Loans and their Related Security are sold to the Option Holder or third party purchasers, such purchasers may be required to acquire (or have a nominee acquire) the legal title together with the beneficial title to the Mortgage Loans, subject to the time required to perfect legal title.

The Mortgage Sale Agreement and the Administration Agreement contain provisions requiring the Issuer to procure that (i) the Seller (for so long as the Whole Legal Title is held by the Legal Title Holders) to procure that legal title to the Mortgage Loans and their Related Security is transferred to the Option Holder or its nominee in respect of the Portfolio Option, where the Option Holder has elected to terminate the appointment of the Administrator on exercise of the Portfolio Option; or (ii) the Legal Title Holders declare a trust and confirm to the Option Holder that Whole Legal Title is held on trust for the Option Holder, in a scenario where the Option Holder has elected not to terminate the appointment of the Administrator on exercise of the Portfolio Option.

The above rights are supported by irrevocable powers of attorney (including the Seller Security Power of Attorney) given, *inter alia*, by the Issuer and the Seller in favour of the Trustee.

For so long as neither the Issuer nor the Trustee have obtained legal title to the Mortgage Loans, the Seller (for so long as the Seller and/or BOIMB hold the Whole Legal Title) will undertake in the Mortgage Sale Agreement for the benefit of the Issuer and the Trustee that it will, and procure that BOIMB will, lend its name to, and take such other steps as may reasonably be required by the Issuer or the Trustee in relation to, any legal proceedings in respect of the Mortgage Loans and their Related Security. In carrying out such steps, the Seller will act in a manner consistent with the requirements of the Seller's policies from time to time.

The completion of the legal transfer or conveyance of the Mortgage Loans and Related Security (and, where appropriate, their registration) to the Issuer is, save in the limited circumstances referred to in this section, deferred. Legal title to the Mortgage Loans and Related Security therefore remains with the relevant Legal Title Holder. Notice of the sale of the Mortgage Loans and their Related Security to the Issuer will not (except as stated herein) be given to any Borrower.

The title information documents and customer files relating to the Mortgage Portfolio are currently held by or to the order of the Seller. The Seller has undertaken that, until perfection of the assignments contemplated by the Mortgage Sale Agreement, all the title information documents and customer files relating to the Mortgage Portfolio which are at any time in its possession or under its control or held to its order will be held to the order of the Issuer or as the Issuer directs. The Administrator is required by the Administration Agreement to ensure the safe custody of the title deeds relating to the Mortgage Loans and to provide the Issuer and the Trustee with access to them at all reasonable times.

Save as described above, neither the Issuer nor the Trustee will initially effect any registration to perfect the sale of the Mortgage Loans to the Issuer or the granting of security over them by the Issuer in favour of the Trustee, nor will they initially acquire possession of the title deeds to the Properties securing the Mortgage Loans.

Notices of the sale to the Issuer and the granting of the Security in favour of the Trustee will not, save as mentioned above, be given to the Borrowers. Notice of the interest of the Issuer and the Trustee will be given in respect of the Insurance Policies (see "*The Mortgage Portfolio - Insurance Policies*" above) to the relevant insurance provider.

Neither the Trustee nor the Issuer has made or will make or has caused to be made or will cause to be made on its behalf any enquiries, searches or investigations in relation to the Mortgage Portfolio, but each is relying entirely on the representations and warranties to be given by the Seller contained in the Mortgage Sale Agreement.

Warranties and Remedies

The Mortgage Sale Agreement will contain certain representations and warranties (the "**Mortgage Loan Warranties**") given by the Seller to the Issuer and the Trustee in relation to the Mortgage Portfolio transferred or assigned to the Issuer pursuant to the Mortgage Sale Agreement.

No searches, enquiries or independent investigation of title of the type which a prudent purchaser or mortgagee would normally be expected to carry out have been or will be made by the Issuer or the Trustee, each of whom is relying entirely on the representations and warranties set out in the Mortgage Sale Agreement.

Breach of Mortgage Loan Warranty

If:

- (a) any Mortgage Loan Warranty made by the Seller proves to be untrue as at the date it was made to the Issuer; and
- (b) the date (the "**Relevant Breach Date**") on which the Seller was notified of or, if earlier, first became aware of the breach falls within the Loan Warranty Period; and
- (c) the claim is a De Minimis Eligible Claim (if applicable); and
- (d) the Administrator on behalf of the Issuer does not elect to waive (with the consent of the Trustee) such breach of Mortgage Loan Warranty,

where the breach relates to a Mortgage Loan Warranty other than the Security Mortgage Loan Warranty and is capable of remedy, the Seller will be required to use all reasonable endeavours to remedy the breach within 30 Business Days from and including the Relevant Breach Date (the "**Remedy Period**").

Please see "*Remediation*" below for the remediation process applicable in the case of a breach of the Security Mortgage Loan Warranty.

Where a breach of a Mortgage Loan Warranty is not capable of remedy or, if capable of remedy, has not been remedied within the Remedy Period or the Security Mortgage Loan Remedy Period (as applicable), upon receipt of a further notice from the Issuer, the Seller will be required to either (at its sole option):

- (a) repurchase such Mortgage Loan and its Related Security (and any other Mortgage Loan secured or intended to be secured by the same Related Security or any part of it) from the Issuer in consideration of the payment by the Seller to the Issuer of the Repurchase Consideration; or
- (b) indemnify the Issuer on demand in respect of any losses that the Issuer suffers as a result of such breach of Mortgage Loan Warranty,

within 30 calendar days of the delivery of such further notice (subject to any minimum notice periods to be given to Borrowers under the Consumer Protection Code in respect of a transfer of such Mortgage Loan, if applicable).

Completion of such repurchase or the granting of such indemnity (whichever the Seller chooses) will be in full satisfaction of the liabilities of the Seller in respect of such breach of Mortgage Loan Warranty.

The consideration payable (the "**Repurchase Consideration**") by the Seller to the Issuer on the repurchase of (i) a Mortgage Loan following a breach of a Mortgage Loan Warranty; or (ii) a Tracker Remediation Mortgage Loan shall be payment in cash of an amount equal to the Current Balance of that Mortgage Loan subject to repurchase at the date specified in the Mortgage Loan Repurchase Notice. The Current Balance(s) of such Mortgage Loans will be calculated two Business Days prior to the repurchase date...

Please see the section entitled "*Limitations of Liability with respect to a breach of Mortgage Loan Warranty and Tracker Remediation Mortgage Loans*" below for details of the maximum aggregate liability of the Seller in respect of, inter alia, a breach of the Mortgage Loan Warranties.

Mortgage Loan Warranties

The representations and warranties of the Seller referred to above include, but are not limited to, statements to the following effect;

- (a) so far as the Seller is aware, each Mortgage Loan constitutes a valid and binding obligation of the Borrower enforceable in accordance with its terms and secures the repayment of all advances, interest, costs and expenses payable by the Borrower (provided, however, that no warranty has provided that the provisions in the Standard Documentation are not unfair within the meaning given to that expression in the UTCC Regulations);
- (b) prior to making the Initial Advance to the Borrower, the relevant Property was valued by an independent qualified valuer approved by the Original Lender using a methodology which would be acceptable to a Prudent Mortgage Lender and which has been approved by the relevant officers of the Original Lender;
- (c) each Mortgage Loan complied with the Lending Criteria applicable at the time of application by the Borrower for the grant of such Mortgage Loan in all material respects save for any waivers as would be granted by a Prudent Mortgage Lender;
- (d) prior to the making of an Initial Advance to a Borrower, all investigations, searches and other action and enquiries in respect of the relevant Property which a Prudent Mortgage Lender would normally make when advancing money to an individual on the security of residential property in Ireland were taken by the relevant Original Lender or on its behalf in respect of each Mortgage Loan including an undertaking from the Borrower's solicitor to provide a Certificate of Title (showing good and marketable title subject to such exceptions or qualifications, if any, to which a Prudent Mortgage Lender would agree) was received by or on behalf of the relevant Original Lender;

- (e) at the time of the origination of each Mortgage Loan, each Property was insured either (i) under a building insurance policy in the joint names of the Borrower and the relevant Original Lender or with the interest of the relevant Original Lender (as mortgagee) endorsed or otherwise noted thereon, and/or (ii) (in the case of leasehold property) under a landlord's or block building insurance with, where possible, the interests of the relevant Original Lender and the Borrower endorsed thereon, in all cases against risks usually covered when advancing money on the security of residential property of the same nature to an amount not less than the full reinstatement value thereof as determined by the relevant Original Lender's valuer;
- (f) each Mortgage Loan is secured by a valid, subsisting and first ranking legal mortgage over the relevant Property situated in Ireland other than (i) cases where registration may be pending at the Land Registry or Registry of Deeds and (in those cases) there is nothing to prevent that registration or recording being effected; or (ii) cases where a solicitors undertaking has been given to the relevant Original Lender to ensure (x) that the relevant Borrower will acquire good marketable title to the relevant Property and (y) that the relevant Mortgage ranks as a first legal mortgage on the relevant Property;
- (g) no arrears greater than 90 days were applicable to any Mortgage Loan as at the Cut-off Date save as described in the tables in section headed "Statistical Information on the Provisional Mortgage Portfolio" of the Prospectus;
- (h) in relation to each Mortgage Loan, the final repayment date will not fall beyond three years prior to the Final Maturity Date of the Notes;
- (i) each Mortgage Loan has been made on terms the same in all material respects to the Standard Documentation;
- (j) each Mortgage Loan has been originated in all material respects in accordance with all Applicable Law;
- (k) each Mortgage Loan has been serviced by the Seller in all material respects in compliance with the terms of the applicable Mortgage Conditions and all Applicable Laws (including, without limitation, the Consumer Protection Code, the Consumer Protection Act 2007 and the Arrears Code) and the Seller has complied with requirements of the UTCC Regulations when servicing the Mortgage Loans (provided, however, that no warranty has provided that the provisions in the Standard Documentation are not unfair within the meaning given to that expression in the UTCC Regulations);
- (l) each Mortgage Loan was originated by the relevant Original Lender as principal in the ordinary course of business;
- (m) each Mortgage Loan comprises all loans made by the relevant Original Lender to any Borrower in respect of which there is common security in favour of the Seller;
- (n) all Mortgage Loans are denominated in euro and are repayable in euro;
- (o) all Mortgage Loans and Related Security are governed by the laws of Ireland;
- (p) all Mortgage Loans are secured over residential property located in Ireland;
- (q) all Mortgage Loans are made to a Borrower who is an individual and aged 18 years or older at the date of entering into the relevant Mortgage Loan and its Related Security;
- (r) so far as the Seller is aware no bankruptcy order has been made against any Borrower and no Borrower (i) has applied under Part 3, Chapter 4 of the Personal Insolvency Act for a Protective Certificate (as defined in the Personal Insolvency Act) (ii) has applied under Part 3, Chapter 4 of the Personal Insolvency Act for a personal insolvency arrangement or (iii) is the subject of a court order under Part 3, Chapter 4 of the Personal Insolvency Act;

- (s) the particulars of each Mortgage Loan and its Related Security set out in the Mortgage Sale Agreement are true, complete and accurate in all material respects as at the Closing Date;
- (t) as at the Cut-Off Date, the details of the Mortgage Loans as set out in the following fields of the Data Tape:
 - a. Current Balance
 - b. Interest Rate Type
 - c. Loan Maturity
 - d. Loan Currency
 - e. Property Type

were true and accurate in all material respects;

- (u) no Mortgage Loan sold by the Seller has, as at the Closing Date, a Current Balance of more than €4.5m;
- (v) neither the Seller nor BOIMB has received any notice or claim in writing by any Borrower of any threat to take steps to assert any right of set-off, rescission or counter-claim under or in connection with any of the Mortgage Loans;
- (w) as far as the Seller is aware, other than with respect to their payments obligations and any notices received by the Seller/relevant Original Lender that a Borrower's property insurance or life assurance policy has lapsed, no Borrower is in material breach of any obligation owed in respect of the relevant Mortgage Loan or under the Related Security (in respect of a restructuring only, a breach shall not constitute a material breach where such breach could reasonably be expected to be waived in the normal course of business by a Prudent Mortgage Lender acting reasonably) and accordingly, in relation to obligations other than payment obligations, no steps have been taken by the Seller to enforce the Related Security and the Seller is not aware of any fraud in relation to a Mortgage Loan or Related Security;
- (x) interest on each Mortgage Loan accrues on a monthly basis and is paid on a periodic basis by the relevant Borrower in accordance with the provisions of the Mortgage Documents;
- (y) in respect of each Mortgage Loan secured on leasehold Property, the relevant leasehold interest had, as at the date when the Mortgage Loan was originated, an unexpired term left to run of not less than 70 years or where the unexpired term was less than 70 years, an undertaking from the Borrower's or relevant Original Lender 's solicitor had been received to purchase the underlying freehold to the Property;
- (z) the Seller is the beneficial owner of the Mortgage Loans and is the legal owner of the BOI Loans and BOIMB is the legal owner of the BOIMB Loans, in each case free from Encumbrances and neither the Seller nor BOIMB has received any notice in writing from any Borrower asserting otherwise. Neither the Seller nor BOIMB has made any prior sale, transfer, assignment, sub-participation of or declared a trust over its rights and interest in the Mortgage Loans;
- (aa) in relation to each Mortgage Loan, the Borrower's interest in the Property is registrable in the Land Registry or Registry of Deeds in Ireland and it has been registered or an undertaking from the Borrower's or relevant Original Lender 's solicitor to register the Borrower's interest in the Property is held;
- (bb) all of the title deeds relating to each of the Mortgage Loans and their Related Security are held by, or are under the control of the Seller, the Administrator or the relevant Original Lender 's or Borrower's solicitors to the order of the Seller;

- (cc) neither the entry by the Seller into the Mortgage Sale Agreement nor any transfer or assignment or creation of trust contemplated by the Mortgage Sale Agreement affects the validity of any of the Mortgage Loans and their Related Security;
- (dd) each of the Seller and BOIMB may freely assign or otherwise transfer its interests in the Mortgage Loans and their Related Security without breaching any term or conditions applying to any of them;
- (ee) neither the Seller nor BOIMB has waived in writing any of its rights under the Mortgage Loans against any Borrower nor entered into any written arrangements with any Borrower or any other person where that has materially restricted their ability to enforce the terms of any Mortgage Loans, other than those prescribed by Applicable Law;
- (ff) the Seller has kept or procured the keeping of full and proper accounts, books and records showing clearly all material transactions, payments, receipts, proceedings and notices relating to the Mortgage Loans and all such accounts, books and records are up-to-date and in the possession of the Seller or held to its order;
- (gg) neither the Seller nor BOIMB have any obligation to make any further advances or other extensions of credit (including by way of overdraft) to any Borrower pursuant to any of the Mortgage Loans and neither the Seller nor BOIMB have received any written notice from any Borrower asserting otherwise;
- (hh) no fraud has been committed by the Seller or BOIMB in respect of any Mortgage Loan;
- (ii) neither the Seller or BOIMB has not received written notice of any litigation or dispute (subsisting, threatened or pending) against the Seller or a relevant Original Lender in respect of any Borrower, a Property, Mortgage Loan or Related Security which (if adversely determined) might have a material adverse effect on the value of any Mortgage Loan;
- (jj) to the extent that any Mortgage Loan and its Related Security and any guarantee in relation to that Mortgage Loan is subject to the UTCC Regulations no official proceedings have been taken by the Central Bank of Ireland, the CCPC or by any other authorised body as defined in the UTCC Regulations against the Seller or a relevant Original Lender, pursuant to the UTCC Regulations or otherwise which might prevent or restrict the use in such agreement of any material terms or the enforcement of any such term;
- (kk) none of the Mortgage Loans are loans made pursuant to section 3(4) of the Housing (Miscellaneous Provisions) Act, 1992;
- (ll) at the Cut-Off Date, the Mortgage Loans are either Endowment Mortgages, Variable Rate Mortgage Loans, Fixed Rate Mortgage Loans, Tracker Rate Mortgage Loans, Interest Only Mortgage Loans, Repayment Mortgage Loans, Pension Backed Mortgages Loans or Split Mortgage Loans;
- (mm) as at the Cut-Off Date, the Mortgage Portfolio does not contain any Mortgage Loans identified as impacted by the Tracker Mortgage Examination;
- (nn) no offers have been made to Borrowers that would entitle the Borrower to a Product Switch or which, if accepted, could have a material adverse impact on the value of a Mortgage Loan or a number of Mortgage Loans in aggregate, other than as described in the Prospectus under the heading "*Sale of the Mortgage Portfolio under the Mortgage Sale Agreement - Product Switches*";
- (oo) no Mortgage Loan was originated after the entry into force of Directive 2014/17/EU (including by way of further advance);
- (pp) the Seller is not subject to any regulatory censure relating to its failure to service the Mortgage Loans in compliance with the Codes and none of the Seller or a relevant Original Lender has received any threat in

writing to take steps to challenge the validity of the Mortgage Loans on the grounds of a material breach of the Codes;

(qq) the Seller's beneficial interest in the Mortgage Loans and their Related Security is being sold by the Seller in the ordinary course of business;

(rr) as at the Cut-Off Date, the Mortgage Portfolio does not contain any PDH Mortgage Loans; and

(ss) the relevant Original Lender applied the same sound and well-defined criteria for credit-granting, and the same processes for approving, amending, renewing and refinancing credits, to the Mortgage Loans as that which the relevant Original Lender applies to non-securitised exposures. The relevant Original Lender had/has (as applicable) effective systems in place to apply those criteria and processes in order to ensure that credit granting was/is (as applicable) based on a thorough assessment of the obligor's credit-worthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting his obligations under the credit agreement.

Remediation

If the Administrator identifies any Mortgage Loans in respect of which the Seller may be in breach of Mortgage Loan Warranty (f) (the "**Security Mortgage Loan Warranty**"), it shall promptly notify the Seller and the Seller shall use reasonable endeavours to promptly take all steps to remediate the issue in accordance with its policies and procedures and to the same extent as if the relevant Mortgage Loan(s) had not been sold by the Seller and had instead been retained by it **provided that** the Seller shall have no obligation to ensure that a relevant Property is subject to a valid, subsisting and first ranking legal mortgage where it can demonstrate to the Issuer and the Administrator that:

- (i) the security provided by the relevant Borrower over the relevant Property was never intended to be a first ranking legal mortgage and had been provided to the Seller by the Borrower as part of additional security arrangements in connection with an arrears resolution process and the relevant Mortgage Loan is secured by a valid, subsisting and first ranking legal mortgage over the relevant Property or other Property in favour of the relevant Original Lender which is registered or pending registration in the Land Registry or Registry of Deeds; or
- (ii) the Seller or the Issuer has the benefit of a solicitor's undertaking in respect of the relevant Property and is continuing to rely on such undertaking,

(the "**Remediation Obligation**").

If the Seller is subject to the Remediation Obligation and fails to satisfy its obligations such Remediation Obligation within 6 months of the date of receipt of the notification of breach of Mortgage Loan Warranty (f) from the Administrator (the "**Security Mortgage Loan Remedy Period**"), the Issuer shall be entitled to bring a claim for a breach of a Mortgage Loan Warranty provided that the Issuer may not bring any such claim in the circumstances outlined in (i) or (ii) above.

Tracker Remediation Mortgage Loans

Under the terms of the Mortgage Sale Agreement, where the Seller becomes aware or is notified on or prior to the end of the Loan Warranty Period by the Issuer or the Administrator that any Mortgage Loan has become a Tracker Remediation Mortgage Loan, the Seller will be required to either (at its sole option):

- (a) repurchase such Mortgage Loan and its Related Security (and any other Mortgage Loans secured or intended to be secured by that Related Security or any part of it) within 30 days (subject to any minimum notice periods to be given to Borrowers under the Consumer Protection Code, if applicable) of the day on which the Seller received the relevant notice or on such later date as the Issuer may direct in the relevant notice, in consideration of the payment by the Seller to the Issuer of the Repurchase Consideration; or

- (b) indemnify the Issuer on demand in respect of any losses that the Issuer suffers as a result of such Mortgage Loan becoming a Tracker Remediation Mortgage Loan.

Such repurchase or indemnification (whichever the Seller chooses) will be in full satisfaction of the liabilities of Seller to the Issuer in respect of such Tracker Remediation Mortgage Loan.

The maximum aggregate liability of the Seller in respect of, inter alia, Tracker Remediation Mortgage Loans is described in the section "*Limitations of Liability with respect to a breach of Mortgage Loan Warranty and Tracker Remediation Mortgage Loans*" below.

Other Remediation

If any Right of Set Off is exercised by a Borrower in respect of a Mortgage Loan, the Seller will (unless such Mortgage Loan is repurchased by the Seller) indemnify the Issuer in respect of any losses, costs or expenses suffered or incurred by the Issuer in connection with the exercise of such Right of Set Off, **provided that** the amount of such indemnity shall not exceed 100 per cent. of the Cut-Off Date Balance in relation to that Mortgage Loan.

"Right of Set Off" means any right of set off arising from any transaction between the Borrower and the relevant Original Lender (or its agent) other than a right of set off arising under the terms of the Mortgage Loan itself or a right of set off arising by operation of law in respect of the terms of the Mortgage Loan or a right of set off arising from arrangements entered into in connection with the origination of the Mortgage Loan in accordance with the Lending Criteria and the Standard Documentation.

Limitations of Liability with respect to a breach of Mortgage Loan Warranty and Tracker Remediation Mortgage Loans

The maximum aggregate liability (including the full amount of any Repurchase Consideration) of the Seller in respect of all claims for breach of Mortgage Loan Warranties (other than Essential Mortgage Loan Warranties, claims in respect of Tracker Remediation Mortgage Loans and exercise of a Right of Set Off) will not exceed 10 per cent. of 95 per cent. of the Cut-Off Date Balance of the Mortgage Loans (the "**Lower Maximum Aggregate Claim Amount**").

Subject to the Lower Maximum Aggregate Claim Amount, the maximum aggregate liability (including the full amount of any Repurchase Consideration) of the Seller under claims for breach of the Mortgage Loan Warranties (including Essential Mortgage Loan Warranties), claims in respect of Tracker Remediation Mortgage Loans and exercise of a Right of Set Off will not exceed 100 per cent. of 95 per cent. of the Cut-Off Date Balance of the Mortgage Loans.

The maximum liability (including the full amount of any Repurchase Consideration) of the Seller under any claim for breach of a Mortgage Loan Warranty or in respect of a Tracker Remediation Mortgage Loan or exercise of a Right of Set Off in respect of any individual Mortgage Loan will not exceed 100 per cent. of the Cut-Off Date Balance of the relevant Mortgage Loan.

The Seller will not be liable in respect of an individual claim for breach of a Mortgage Loan Warranty (other than an Essential Mortgage Loan Warranty or in respect of a Tracker Remediation Mortgage Loan) or exercise of a Right of Set Off unless the amount of the liability otherwise payable by the Seller under such individual claim would exceed €10,000 (a "**De Minimis Eligible Claim**").

Where a number of claims relating to a breach of Mortgage Loan Warranty or exercise of a Right of Set Off arise out of the same or similar sets of facts or circumstances, and each such individual claim would not be a De Minimis Eligible Claim, the Issuer will be entitled to aggregate such claims relating to other Mortgage Loans (an "**Aggregated Claim**") in determining the de minimis amount. Where an Aggregated Claim exceeds €200,000, the aggregate claim will be treated as a De Minimis Eligible Claim.

Where the amount agreed or determined in respect of all Mortgage Loan Warranty claims (excluding any Mortgage Loan Warranty claim that does not constitute a De Minimis Eligible Claim) or all Tracker Remediation Mortgage Loan claims) or exercise of a Right of Set Off exceeds a relevant minimum threshold, the Seller shall be liable for the aggregate amount of all such Mortgage Loan Warranty claims (and not just the excess above the relevant threshold).

In this Prospectus:

"Cut-Off Date Balance" means, with respect to any Mortgage Loan, the Current Balance of that Mortgage Loan as at the Cut-Off Date.

"Essential Mortgage Loan Warranties" means the Mortgage Loan Warranties set out in paragraphs (a), (f), (j), (k), (t), (z) and (mm) of the section entitled "*Mortgage Loan Warranties*" above.

"Insolvency Event" means: in relation to the Principal Paying Agent, the Registrar, the Issuer, the Seller, BOIMB, the Administrator, the Cash Manager, the Deposit Account Bank and the Collection Account Bank (as applicable):

- (a) an order is made or an effective resolution passed for the winding up of the company, (except, in the case of the Issuer, 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 Most Senior Class of Notes) and, in the case of the Seller or BOIMB, a winding-up where the Seller or BOIMB (as applicable) is solvent);
- (b) the company, otherwise than for the purposes of an amalgamation, reconstruction or solvent winding up as is referred to in paragraph (a) above, ceases or through an authorised action of its board of directors, threatens to cease to carry on all or substantially all of its business or is deemed unable to pay its debts within the meaning of Section 509(3) and/or Section 570 of the Companies Act 2014;
- (c) the appointment of an Insolvency Official in relation to the company or in relation to the whole or any part of the undertaking or assets of such company (other than, in respect of the Seller and BOIMB, the appointment of an insolvency official to conduct a winding-up where BOIMB or the Seller (as applicable) is solvent; or
- (d) proceedings are be initiated against the company under any applicable liquidation, insolvency, bankruptcy, composition, examination, court protection, reorganisation (other than a reorganisation or winding-up where the company is solvent) or other similar laws and such proceedings are not being disputed in good faith with a reasonable prospect of success or an order appointing an examiner is be granted or the appointment of an examiner takes effect or an examiner or receiver, liquidator, trustee in sequestration or other similar official is be appointed in relation to the company or in relation to the whole or any substantial part of the undertaking or assets of the company;

"Loan Warranty Period" means:

- (a) in respect of claims (i) arising from a breach of an Essential Mortgage Loan Warranty; or (ii) in respect of a Tracker Remediation Mortgage Loan, the period from and including the Closing Date to and including the date that is three years from the Closing Date; or
- (b) in respect of claims arising from a breach of a Non-Essential Mortgage Loan Warranty, the period from and including the Closing Date and to and including the date that is two years from the Closing Date.

"Non-Essential Mortgage Loan Warranties" means the Mortgage Loan Warranties other than the Essential Mortgage Loan Warranties.

"Tracker Remediation Mortgage Loan" means any Mortgage Loan identified by the Seller or the Central Bank as requiring redress under the Tracker Mortgage Examination.

Product Switches

The Administrator on behalf of the Issuer may agree to a request by a Borrower to amend his Mortgage Loan (or, in the case of a default by a Borrower, may itself elect to amend such Borrower's Mortgage Loan) into a Mortgage Loan with a different type of interest rate (a "**Product Switch**"). For the avoidance of doubt, any other amendment to the terms of a Mortgage Loan will not constitute a Product Switch.

A Product Switch will only be granted by the Administrator if it is required to do so in accordance with the Administrator's policies, applicable law or a contractual entitlement on the part of the Borrower or offers open to acceptance by Borrowers, in each case as at the Closing Date or Cut-Off Date, as applicable.

Any Mortgage Loan which has been subject to a Product Switch will remain in the Mortgage Portfolio. The Seller will be under no obligation to reacquire any Mortgage Loan which is the subject of a Product Switch save in respect of a breach of any Mortgage Loan Warranties as at the Closing Date or the Cut-Off Date, as applicable.

Amendments to the terms of a Mortgage Loan (including, inter alia amendments to the repayment terms of a Mortgage Loan) are permitted where the amendment has been agreed to by the Administrator (in accordance with the terms of the Administration Agreement):

- (i) acting pursuant to any law, regulation or regulatory guidelines of Ireland, or on an instruction of a regulatory authority to which the Administrator is subject including, for the avoidance of doubt, pursuant to the Tracker Mortgage Examination; or
- (ii) otherwise acting as a Prudent Mortgage Lender for the purpose of managing a Mortgage Loan in, or facing, arrears or in pre-arrears,

provided that, following the amendment, the relevant Mortgage Loan constitutes one of the following loan types (each, an "**Eligible Product**"):

- (a) a Fixed Rate Mortgage Loan;
- (b) a Variable Rate Mortgage Loan; or
- (c) any other type of Mortgage Loan offered by Bank of Ireland or BOIMB as applicable other than a Mortgage Loan which is a flexible repayment loan or current account mortgage loan.

Any amendment made to the terms of a Mortgage Loan so set out in (i) and (ii) above shall not constitute a Product Switch.

Further Advances

The Administrator will undertake with the Issuer and the Security Trustee that it will not offer to any Borrower, nor will it agree to any request from any Borrower, for a Further Advance in relation to a Mortgage Loan and its Related Security.

"Further Advance" means, in relation to a Mortgage Loan, any advance of further money to the relevant Borrower following the advance of the initial principal amount by the relevant Original Lender to the relevant Borrower under a Mortgage Loan (the "**Initial Advance**") which is secured by the same Mortgage as the Initial Advance, but does not include the amount of any retention advanced to the relevant Borrower as part of the Initial Advance after completion of the Mortgage.

Governing Law

The Mortgage Sale Agreement and any non-contractual obligations arising out of or in connection with the Mortgage Sale Agreement will be governed by Irish law.

EARLY REDEMPTION OF THE RATED NOTES

The Option Holder may exercise the Portfolio Option granted by the Issuer pursuant to the Deed Poll, requiring the Issuer to transfer, or procure the transfer, of the legal and beneficial interest in the Mortgage Portfolio to the Option Holder (or one or more nominees of the Option Holder) provided that if and for so long as the Option Holder is the Seller, the Option Holder will not be permitted to exercise the Portfolio Option. The Issuer is not permitted to dispose of the Mortgage Portfolio in any other circumstances (other than in relation to an enforcement of the Security or the repurchase of a Mortgage Loan and its Related Security pursuant to the Mortgage Sale Agreement or if the Issuer is required to or proposes to exercise its right to redeem the Notes in full pursuant to the terms and conditions of the Notes).

Pursuant to and subject to the terms of the Deed Poll, the Issuer will grant to the Option Holder the following rights (collectively, the "**Portfolio Option**"), which may be exercised on any Portfolio Option Commencement Date but prior to the delivery of an Enforcement Notice:

- (a) the right to require the Issuer to sell and transfer to the Option Holder (or one or more nominee(s) of the Option Holder) as identified in the Exercise Notice (the "**Beneficial Title Transferee**") free of any security interests or encumbrances, the beneficial title to all (but not some only) of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio (the "**Whole Beneficial Title**") in consideration for the Option Purchase Price;
- (b) where the Option Holder does not require the Administrator to continue to service the Mortgage Loans following the transfer of the Whole Beneficial Title, the right to require:
 - (i) the Issuer to:
 - (A) (if applicable) transfer the legal title to all (but not some only) of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio (the "**Whole Legal Title**"); or
 - (B) if, at the time the Portfolio Option is exercised, the Issuer does not hold legal title, procure that the Seller transfers (where it is a Legal Title Holder) or, in respect of the BOIMB Loans, or procures the transfer of the Whole Legal Titleto the Option Holder (or one or more nominee(s) of the Option Holder) as identified in the Exercise Notice (the "**Legal Title Transferee**");
- (c) where the Option Holder requires the Administrator to continue to service the Mortgage Loans following the transfer of the Whole Beneficial Title, the right to require the Issuer to procure that the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Option Holder (or one or more nominee(s) of the Option Holder) (the "**Trust Beneficiary**") and confirm to the Trust Beneficiary that the Whole Legal Title is held on trust for the Trust Beneficiary;
- (d) the right to require the Issuer to serve, or procure the serving of, all relevant notices, enter into such documents as may reasonably be required and take all steps (including carrying out requisite registrations and recordings) in order to vest or transfer the Whole Legal Title in and to the Mortgage Portfolio in the Legal Title Transferee.

The Portfolio Option may be exercised on any Portfolio Option Commencement Date by notice from the Option Holder to the Issuer, with a copy to the Trustee, the Seller, the Administrator, the Cash Manager, the Legal Title Holders and each of the Rating Agencies (such notice, an "**Exercise Notice**") that the Option Holder wishes to exercise the Portfolio Option for effect on the relevant Portfolio Option Completion Date.

Where the Exercise Notice directs the Issuer to transfer, or to procure that the Seller either transfers, or procures the transfer, of the Whole Legal Title to the Legal Title Transferee, it must be accompanied by a confirmation from the Option Holder confirming that the appointment of the Administrator will terminate in accordance with the terms of the Administration Agreement on the Portfolio Option Completion Date.

Where the Exercise Notice directs the Issuer to procure that the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Trust Beneficiary, the Exercise Notice must contain confirmation from the Option Holder that the Beneficial Title Transferee will appoint the Administrator to service the Mortgage Loans on its behalf on or about the Portfolio Option Completion Date.

The sale of the Whole Beneficial Title and (if applicable) the transfer of the Whole Legal Title pursuant to the Portfolio Option shall also be subject to the following conditions:

- (a) either:
 - (i) the Beneficial Title Transferee and (if applicable) the Legal Title Transferee is a person whose usual place of abode is in Ireland or is a person who can avail of an exemption from withholding tax on interest paid by Borrowers under the Mortgage Loans under Section 246(3)(a) of the TCA, Section 246(3)(bbb) of the TCA or Section 246(3)(cc) of the TCA or
 - (ii) each of the Issuer, the Legal Title Holders and the Seller, having received tax advice from an appropriately qualified and experienced Irish tax adviser in the form and substance satisfactory to it (acting reasonably), or such other comfort as may reasonably be required by it (including, without limitation, any clearance or other confirmation granted by the Irish tax authorities) ("**Tax Advice**"), is satisfied that the sale of the Whole Beneficial Title and (if applicable) transfer of the Whole Legal Title will not create or increase any liabilities of the Issuer, the Legal Title Holders or the Seller to Irish tax or any tax imposed by the jurisdiction of the Option Holder, the Beneficial Title Transferee and (if applicable) the Legal Title Transferee and that any such sale will not result in any materially adverse tax consequences for the Issuer and/or the Issuer's ability to repay the Notes in full. The costs relating to such Tax Advice shall be borne by the Option Holder;
- (b) each Legal Title Transferee and any administrator appointed by the Beneficial Title Transferee has all the appropriate licences, approvals, authorisations, consents, permissions and registrations (including any approvals, authorisations, consents, permissions and registrations required to be maintained by the Central Bank) required to hold legal title to and/or administer residential mortgage loans (as applicable) such as the Mortgage Loans and their Related Security comprising the Mortgage Portfolio (the "**Relevant Authorisations**"); or
- (c) the Beneficial Title Transferee shall not be permitted to transfer the beneficial interest in any of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio to a further purchaser until the transfer of the Whole Legal Title is perfected or until the Legal Title Holders confirm in writing that they will hold the Whole Legal Title on trust for the Beneficial Title Transferee, unless such transfer of beneficial interest is made to a person whose usual place of abode is in Ireland or who can avail of an exemption from withholding tax on interest paid by Borrowers under the Mortgage Loans under Section 246(3)(a) of the TCA, Section 246(3)(bbb) of the TCA or Section 246(3)(cc) of the TCA.

Option Purchase Price

The purchase price for the Mortgage Loans and their Related Security comprising the Mortgage Portfolio pursuant to the Portfolio Option shall be an amount equal to the greater of:

- (a) the Consideration less any collections of principal received on the Mortgage Loans since the Cut-Off Date; or

- (b) without double counting, the greater of:
- (i) zero; and
 - (ii) an amount equal to
 - (A) the amount required by the Issuer to pay in full all amounts payable under items (a) to (p) (inclusive) of the Post-Enforcement Priority of Payments on the immediately following Interest Payment Date,

less

- (B) any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer)

in each case, plus (i) the costs and expenses of the Issuer and of the Seller associated with transferring its interests in any Mortgage Loan and its Related Security to the Option Holder or its nominee (if any) and (ii) an amount agreed between the Issuer and the Option Holder in respect of costs anticipated to be incurred by the Issuer after the Portfolio Option Completion Date (the "**Option Purchase Price**").

In connection with the exercise of the Portfolio Option, the Option Holder or the Beneficial Title Transferee (as applicable) will agree with the Issuer to either:

- (a) deposit an amount equal to the Option Purchase Price in either an escrow account in the name of the Beneficial Title Transferee or in any other account as may be agreed between the Issuer and the Option Holder or (as applicable) the Beneficial Title Transferee; or
- (b) provide irrevocable payment instructions for an amount equal to the Option Purchase Price for value on the Portfolio Option Completion Date to be transferred to the Deposit Account or such other account as may be agreed between the Issuer and the Option Holder or (as applicable) the Beneficial Title Transferee,

provided that such deposit shall be made or irrevocable payment instructions shall be given no later than (x) two Business Days prior to the Portfolio Option Completion Date; or (y) such other date as the Issuer, at its sole discretion and the Option Holder or (as applicable) the Beneficial Title Transferee may agree **provided further** that the Option Purchase Price or irrevocable payment instructions (as applicable) must be received by the Issuer in sufficient time to enable the Issuer to provide notice of redemption to the Noteholders pursuant to Condition 9; and/or

- (c) take any other action as may be agreed by the Option Holder or (as applicable) the Beneficial Title Transferee, the Issuer and the Trustee in relation to the payment of the Option Purchase Price.

At the cost of the Option Holder, the Issuer shall serve, or if, at the time the Portfolio Option is exercised, the Issuer does not hold the Whole Legal Title, direct the Legal Title Holders to serve, or procure the serving of, all relevant notices and take all steps (including carrying out requisite registrations and recordings) in order to effectively vest the Whole Legal Title in the Legal Title Transferee, in each case subject to the terms and conditions set out in the Deed Poll.

Redemption of the Rated Notes and the cancellation of the Class Z Notes

On the Portfolio Option Completion Date, the Option Purchase Price will be applied as Available Principal Receipts together with additional Available Principal Receipts and Available Revenue Receipts in accordance with the Post-

Enforcement Priority of Payments to redeem the Rated Notes in full and any other Notes will, to the extent of funds available, be redeemed.

In this Prospectus:

"Deed Poll" means the deed poll dated on or about the Closing Date, executed by the Issuer, in favour of the Option Holder from time to time.

"Option Holder" means:

- (a) (where the Class Z Notes are represented by Registered Definitive Notes) the holder of Class Z Notes nominated by way of Extraordinary Resolution by the holders of the Class Z Notes or (where the Class Z Notes are represented by a Global Note) the Indirect Participant who is nominated by way of Extraordinary Resolution or Written Resolution by the holders of the Class Z Notes; or
- (b) where no such person is so nominated by way of Extraordinary Resolution or Written Resolution under (a) above, (where the Class Z Notes are represented by Registered Definitive Notes) the holder of Class Z Notes holding greater than 50 per cent. of the Class Z Notes or (where the Class Z Notes are represented by a Global Note) the Indirect Participant which holds the beneficial interest in greater than 50 per cent. of the Class Z Notes (the **"Greater than 50 per cent. Holder"**); or
- (c) where no such person is so nominated by way of Extraordinary Resolution under (a) above or where there is no Greater than 50 per cent. Holder, the person who holds the greatest aggregate value of Class Z Notes by Principal Amount Outstanding or, as applicable, beneficial interest in the greatest aggregate value of Class Z Notes by Principal Amount Outstanding.

"Portfolio Option Call Date" means the Interest Payment Date falling on 24 April 2022.

"Portfolio Option Commencement Date" means:

- (a)
 - i) any Business Day falling on or prior to (x) 3 months prior to the Portfolio Option Call Date (where the Exercise Notice directs the Issuer to transfer, or to procure that the Seller either transfers or procures the transfer, of the Whole Legal Title to the Transferee) or (y) 30 days prior to the Portfolio Option Call Date (where the Exercise Notice directs the Issuer to procure the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Trust Beneficiary); or
 - ii) the Portfolio Option Call Date and each Interest Payment Date after the Portfolio Option Call Date; or
- (b) any Interest Payment Date on which the aggregate Principal Amount Outstanding of the Rated Notes is equal to or less than 10 per cent. of the aggregate Principal Amount Outstanding of the Rated Notes on the Closing Date; or
- (c) any Business Day following the occurrence of a Redemption Event.

"Portfolio Option Completion Date" means the Interest Payment Date specified in the Exercise Notice on which the purchase by the Beneficial Title Transferee of the Whole Beneficial Title is completed pursuant to the terms of the Deed Poll **provided that** (i) the earliest such date can be is the Portfolio Option Call Date; and (ii) where the Exercise Notice directs the Issuer to transfer, or to procure that the Seller either transfers, or procures the transfer of the Whole Legal Title to the Legal Title Transferee, the Portfolio Option Completion Date shall be no earlier than 3 months from the date of the Exercise Notice and where the Exercise Notice directs the Issuer to procure that the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Trust Beneficiary, the Portfolio Option

Completion Date shall be no earlier than 30 days from the date of the Exercise Notice and provided that in the case of a declaration of trust over the Whole Legal Title no such Portfolio Option Completion Date may occur earlier than the date on which the Administrator is appointed by the Beneficial Title Transferee to service the Mortgage Loans.

STATISTICAL INFORMATION ON THE PROVISIONAL MORTGAGE PORTFOLIO

The statistical and other information contained in this section has been compiled by reference to the Provisional Mortgage Portfolio of €377,293,144 as at the Cut-Off Date. The Mortgage Portfolio has been selected from the Provisional Mortgage Portfolio.

A Mortgage Loan will be removed from the Provisional Mortgage Portfolio if in the period from (and including) the Cut-off Date to (but excluding) the Closing Date such Mortgage Loan is repaid in full or if, as at the Closing Date, such Mortgage Loan does not or would not comply with the representations and warranties given by the Seller in the Mortgage Sale Agreement on the Closing Date. The Provisional Mortgage Portfolio of €377,293,144 as at the Cut-Off Date was determined on or prior to such date by the Seller in accordance with the procedures as described in "*Selection of the Mortgage Portfolio*" above.

The information contained in this section has not been updated to reflect any decrease in the size of the Mortgage Portfolio from that of the Provisional Mortgage Portfolio.

Except as otherwise indicated, these tables have been prepared using the Current Balance as at the Cut-off Date. Columns may not add up to the total due to rounding.

Loan to value ratios are capped at 200% for the purposes of the calculations in Tables 5, 6 and 7 below.

As of the Cut-off Date, the Provisional Mortgage Portfolio had the following characteristics:

1 OVERVIEW – GENERAL

SUMMARY	
Cut-off date	31/01/2019
Total Current Balance	377,293,144
Number of Mortgage Loans	1,727
Number of Properties	1,386
Number of Borrowers	788
Average Mortgage Loan Balance	218,467
Current Balance % by Top 5 Borrowers	9.48%
Min / Max Loan Balance	1,001 / 4,365,210
Weighted Average Original LTV	74.33%
Weighted Average Current LTV (indexed)	81.67%
WA Seasoning (years)	12.44
WA Coupon	2.26%
Variable Rate	86.70%
Fixed Interest Rate	0.80%
ECB Tracker Rate	12.50%
Interest Only and Interest Only Plus	15.55%
Repayment	19.77%
Part & Part	64.68%
Defaulted (3M+ Arrears)	0.0%

MIA>=1	2.49%
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2 OVERVIEW - ORIGINAL BALANCES OF MORTGAGE LOANS

The following table shows the distribution of Mortgage Loans by their Original Balances.

Original Balance (€)	Total Original Balance (€)	% Total Original Balance	Number of Loans	% Number of Loans
<= 150k	53,355,076	11.22%	603	34.92%
>150k <= 250k	100,294,940	21.10%	503	29.13%
>250k <= 350k	87,641,423	18.44%	296	17.14%
>350k <= 500k	63,099,707	13.27%	152	8.80%
>500k <= 1M	84,263,550	17.72%	119	6.89%
>1M <= 1.5M	39,911,000	8.40%	32	1.85%
>1.5M <= 3M	35,929,500	7.56%	19	1.10%
>3M	10,903,000	2.29%	3	0.17%
Grand Total	475,398,196	100.00%	1,727	100.00%
Minimum:	5,206			
Maximum:	4,381,000			
Average:	275,274			

3 OVERVIEW - CURRENT BALANCES OF MORTGAGE LOANS

The following table shows the distribution of Mortgage Loans by their Current Balances as determined in respect of each Mortgage Loan as at the Cut-Off Date.

Current Balance (€)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<= 150k	72,723,527	19.28%	938	54.31%
>150k <= 250k	68,893,132	18.26%	356	20.61%

>250k <= 350k	52,304,822	13.86%	177	10.25%
>350k <= 500k	49,658,328	13.16%	122	7.06%
>500k <= 1M	63,938,843	16.95%	89	5.15%
>1M <= 1.5M	35,672,130	9.45%	29	1.68%
>1.5M <= 3M	26,648,070	7.06%	14	0.81%
>3M	7,454,293	1.98%	2	0.12%
Grand Total	377,293,144	100.00%	1,727	100.00%
Minimum:	1,001			
Maximum:	4,365,210			
Average:	218,467			

4 PROPERTY ORIGINAL VALUATION

The following table shows the range of valuations of the Properties in the Provisional Mortgage Portfolio as at the date of origination or date of last restructure of the relevant Mortgage Loan. The valuations used for the purposes of the table are: the latest available valuation made by an independent valuer; or the latest available drive-by valuation; or the latest available desktop valuation, where for example the security was taken as part of a forbearance or restructuring agreement.

Original Value	Original Property Value (€)	% Original Property Value	Number of Properties	% Number of Properties
<=200k	23,814,997	4.21%	147	10.61%
>200k <= 300k	103,582,193	18.29%	404	29.15%
>300k <= 400k	142,194,130	25.11%	408	29.44%
>400k <= 500k	74,036,400	13.08%	164	11.83%
>500k <= 750k	89,852,950	15.87%	148	10.68%
>750k <= 1500k	70,922,500	12.53%	72	5.19%
>1500k <= 2500k	45,897,551	8.11%	24	1.73%
>2500k	15,900,000	2.81%	5	0.36%

ND	0	0.00%	14	1.01%
Grand Total	566,200,721	100.00%	1,386	100.00%

5 **MORTGAGE LOAN-TO-VALUE RATIOS AS AT THE ORIGINATION DATE (ORIGINATION LOAN TO VALUE)**

The following table shows the range of LTV ratios, which express the aggregate original balances of the Mortgage Loans in the Provisional Mortgage Portfolio as at the date drawdown of the Mortgage Loan divided by the valuation of the relevant Property collateral as at that time. The figures in the following table have been calculated on the basis of the number of Mortgage Loans in the Provisional Mortgage Portfolio.

Original LTV	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=20%	1,546,097	0.41%	43	2.49%
>20% <=40%	10,228,451	2.71%	103	5.96%
>40% <=60%	39,378,726	10.44%	223	12.91%
>60% <=70%	73,518,750	19.49%	256	14.82%
>70% <=80%	136,088,168	36.07%	568	32.89%
>80% <=90%	82,911,928	21.98%	375	21.71%
>90% <=100%	27,964,608	7.41%	132	7.64%
>100%	5,656,417	1.50%	27	1.56%
Grand Total	377,293,144	100.00%	1,727	100.00%

6 **CURRENT MORTGAGE LOAN-TO-VALUE RATIOS AS AT THE ORIGINATION DATE (CURRENT LOAN TO VALUE)**

The following table shows the range of LTV ratios, which express the aggregate current balances of the Mortgage Loans in the Provisional Mortgage Portfolio as at the Cut-Off Date (excluding accrued interest and fees) divided by the latest available valuation of the relevant Property collateral (as described under Table 4 (Property Original Valuation) above.

Current LTV	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=20%	760,087	0.20%	10	0.58%
>20% <=40%	11,276,676	2.99%	80	4.63%
>40% <=60%	56,709,871	15.03%	340	19.69%
>60% <=70%	105,733,607	28.02%	431	24.96%
>70% <=80%	116,565,777	30.90%	519	30.05%
>80% <=90%	39,419,177	10.45%	168	9.73%
>90% <=100%	14,007,176	3.71%	53	3.07%

>100% <=110%	3,509,016	0.93%	15	0.87%
>110% <=120%	3,838,732	1.02%	14	0.81%
>120%	11,117,494	2.95%	39	2.26%
ND	14,355,531	3.80%	58	3.36%
Grand Total	377,293,144	100.00%	1,727	100.00%

7 CURRENT LTV (INDEXED)

The following table shows the range of LTV ratios, which express the aggregate current balances of the Mortgage Loans in the Provisional Mortgage Portfolio as at the Cut-Off Date (excluding accrued interest and fees) *divided by* the indexed latest available valuation of the relevant Property collateral as at the same date (in relation to latest available valuation see Table 4 (*Property Original Valuation*) above. In respect of a small number of Mortgage Loans the indexed LTV ratio as recorded on Bank of Ireland systems was used. The figures in the following table have been calculated on the basis of the number of Mortgage Loans in the Provisional Mortgage Portfolio.

Current LTV (Indexed)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=20%	348,981	0.09%	8	0.46%
>20% <=40%	9,492,421	2.52%	90	5.21%
>40% <=60%	42,913,484	11.37%	254	14.71%
>60% <=70%	40,899,848	10.84%	255	14.77%
>70% <=80%	76,936,620	20.39%	303	17.54%
>80% <=90%	109,267,974	28.96%	433	25.07%
>90% <=100%	52,397,442	13.89%	200	11.58%
>100% <=110%	20,119,865	5.33%	99	5.73%
>110% <=120%	6,165,234	1.63%	34	1.97%
>120%	18,751,276	4.97%	51	2.95%
Grand Total	377,293,144	100.00%	1,727	100.00%

* Indexed using the CSO residential property price index based on monthly data as at December 2018

8 REPAYMENT METHOD

The following table shows the repayment terms for the Mortgage Loans in the Provisional Mortgage Portfolio as at the Cut-Off Date. For a description of the various repayment terms the Seller offers, see "*The Mortgage Loans — Characteristics of the Mortgage Loans — Repayment Terms*". The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Repayment Method	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
IO	42,954,049	11.38%	355	20.56%
Other	15,715,286	4.17%	71	4.11%

REP	74,581,866	19.77%	616	35.67%
P&P	244,041,942	64.68%	685	39.66%
Grand Total	377,293,144	100.00%	1,727	100.00%

9 GEOGRAPHICAL DISTRIBUTION OF PROPERTIES

The following table shows the distribution of Properties securing the Mortgage Loans in the Provisional Mortgage Portfolio throughout Ireland as at the Cut-Off Date. No such properties are situated outside Ireland. The Seller's lending criteria and current credit scoring tests do not take into account the geographical location of the property securing a Mortgage Loan. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Region	Total Current Balance (€)	% Total Current Balance	Indexed Asset Value	% of Indexed Asset Value
Carlow	2,373,839	0.63%	2,896,713	0.57%
Cavan	1,547,370	0.41%	2,256,644	0.44%
Clare	5,541,900	1.47%	7,721,776	1.52%
Cork	46,302,009	12.27%	59,102,272	11.62%
Donegal	2,837,117	0.75%	3,563,521	0.70%
Dublin	206,731,067	54.79%	276,333,522	54.34%
Galway	20,075,000	5.32%	29,690,336	5.84%
Kerry	9,322,116	2.47%	12,500,410	2.46%
Kildare	14,747,054	3.91%	19,914,756	3.92%
Kilkenny	1,441,222	0.38%	2,937,617	0.58%
Laois	4,005,175	1.06%	5,188,352	1.02%
Leitrim	1,352,704	0.36%	1,775,997	0.35%
Limerick	11,626,610	3.08%	17,246,610	3.39%
Longford	2,068,077	0.55%	2,957,391	0.58%
Louth	5,326,534	1.41%	6,903,475	1.36%
Mayo	6,662,609	1.77%	8,890,295	1.75%
Meath	3,881,502	1.03%	5,210,049	1.02%
Monaghan	1,166,739	0.31%	2,191,688	0.43%
Offaly	2,502,715	0.66%	3,337,140	0.66%
Roscommon	435,367	0.12%	629,658	0.12%
Sligo	2,473,140	0.66%	3,954,913	0.78%
Tipperary	2,827,156	0.75%	3,970,306	0.78%
Waterford	7,902,455	2.09%	9,611,473	1.89%
Westmeath	4,856,134	1.29%	6,293,853	1.24%

Wexford	3,146,299	0.83%	4,421,677	0.87%
Wicklow	5,723,577	1.52%	8,497,352	1.67%
ND	239,330	0.06%	482,390	0.09%
Not allocated	178,327	0.05%	0	0.00%
Grand Total	377,293,144	100.00%	508,480,186	100.00%

10 INTEREST RATE TYPE

The following table shows the distribution of Mortgage Loans in the Provisional Mortgage Portfolio as at the Cut-Off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Interest Rate Type	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
Variable Rate	327,114,226	86.70%	1,399	81.01%
ECB Tracker	47,156,044	12.50%	302	17.49%
Fixed	3,022,874	0.80%	26	1.51%
Grand Total	377,293,144	100.00%	1,727	100.00%

11 SEASONING OF MORTGAGE LOANS

The following table shows the number of years since the date of origination of the Initial Advance in respect of a Mortgage Loan in the Provisional Mortgage Portfolio as at the Cut-Off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Seasoning (in years)	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=10	4,836,229	1.28%	38	2.20%
>10 to <=11	49,126,407	13.02%	192	11.12%
>11 to <=12	96,682,812	25.63%	377	21.83%
>12 to <=13	129,721,782	34.38%	512	29.65%
>13 to <=15	78,716,648	20.86%	428	24.78%
>15	18,209,266	4.83%	180	10.42%
Grand Total	377,293,144	100.00%	1,727	100.00%
Min Seasoning (years):	4.25			
Max Seasoning (years):	25.50			
WA Seasoning (years):	12.44			

12 YEARS TO MATURITY

The following table shows the number of years until the maturity of the Mortgage Loans in the Provisional Mortgage Portfolio. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Years to Maturity	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=5	27,362,801	7.25%	133	7.70%
>5 to <=8	45,537,047	12.07%	181	10.48%
>8 to <=11	52,452,593	13.90%	215	12.45%
>11 to <=14	133,408,202	35.36%	394	22.81%
>14 to <=18	33,979,703	9.01%	194	11.23%
>18 to <=22	24,858,841	6.59%	160	9.26%
>22	59,693,956	15.82%	450	26.06%
Grand Total	377,293,144	100.00%	1,727	100.00%
Min Years to Maturity:	0.33			
Max Years to Maturity:	39.08			
WA Years to Maturity:	14.04			

13 CURRENT INTEREST RATE

The following tables show the interest rates in respect of the Mortgage Loans in the Provisional Mortgage Portfolio. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Current Interest Rate	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=1%	22,633,364	6.00%	106	6.14%
>1% <=2%	150,723,704	39.95%	528	30.57%
>2% <=3%	169,861,564	45.02%	771	44.64%
>3% <=4%	2,871,609	0.76%	24	1.39%
>4% <=5%	17,007,564	4.51%	174	10.08%
>5% <=6%	13,433,598	3.56%	116	6.72%
>6%	761,741	0.20%	8	0.46%
Grand Total	377,293,144	100.00%	1,727	100.00%
Minimum Current Interest Rate	0.65%			
Maximum Current Interest Rate	6.12%			
Weighted Average Current Interest Rate	2.26%			

14 ARREARS STATUS

The following table shows the arrears status in respect of the Mortgage Loans in the Provisional Mortgage Portfolio. The figures in the following tables have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

The Mortgage Loans were originated as prime loans and many have been subsequently restructured to restore sustainable repayment performance. Therefore the historical arrears profile has been higher than is represented at the Cut-Off Date.

Months in arrears	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
=0	367,911,050	97.51%	1,699	98.38%
>0 to <=1	4,128,650	1.09%	18	1.04%
>1 to <=2	5,253,444	1.39%	10	0.58%
>2	0	0.00%	0	0.00%
Grand Total	377,293,144	100.00%	1,727	100.00%

15 PROPERTY TYPE

The following table shows information in relation to the type of Properties securing the Mortgage Loans in the Provisional Mortgage Portfolio as at the Cut-Off Date. The figures in the following table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Type of Property	Total Current Balance (€)	% Total Current Balance	Indexed Asset Value	% Indexed Asset Value
House Detached/Semi Detached	121,844,785	32.29%	163,070,604	32.07%
House Terraced	108,894,991	28.86%	144,249,820	28.37%
Apartment	135,017,657	35.79%	183,427,478	36.07%
Other	11,357,384	3.01%	17,732,284	3.49%
Not allocated	178,327	0.05%	0	0.00%
Grand Total	377,293,144	100.00%	508,480,186	100.00%

16 LATEST RESTRUCTURE YEAR

The following table shows the latest year in which a restructuring action has been taken in respect of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Cut-Off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Latest Restructure Year	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
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No Restructure	11,097,392	2.94%	81	4.69%
2009	186,872	0.05%	3	0.17%
2011	193,706	0.05%	5	0.29%
2012	1,616,539	0.43%	22	1.27%
2013	12,187,129	3.23%	105	6.08%
2014	83,055,946	22.01%	428	24.78%
2015	116,118,060	30.78%	518	29.99%
2016	83,227,429	22.06%	314	18.18%
2017	39,876,784	10.57%	127	7.35%
2018	23,058,883	6.11%	108	6.25%
2019	6,674,407	1.77%	16	0.93%
Grand Total	377,293,144	100.00%	1,727	100.00%

17 INDEXED PROPERTY VALUE

The following table shows the range of indexed valuations of the Properties in the Provisional Mortgage Portfolio as at the Cut-Off Date.

Indexed Value	Indexed Property Value (€)	% Indexed Property Value	Number of Properties	% Number of Properties
<=200k	34,472,718	6.78%	206	14.86%
>200k <= 300k	115,921,462	22.80%	464	33.48%
>300k <= 400k	125,595,663	24.70%	370	26.70%
>400k <= 500k	56,094,378	11.03%	126	9.09%
>500k <= 750k	74,002,960	14.55%	123	8.87%
>750k <= 1500k	56,746,052	11.16%	58	4.18%
>1500k <= 2500k	42,318,947	8.32%	23	1.66%
>2500k	3,328,006	0.65%	1	0.07%
ND	0	0.00%	15	1.08%
Grand Total	508,480,186	100.00%	1,386	100.00%

18 PAY RATE (SIX MONTH AVERAGE PAY RATE)

The following table shows the Six Month Average Pay Rate in respect of the Mortgage Loans in the Provisional Mortgage Portfolio as of the Cut-Off Date. The figures in this table have been calculated on the basis of the Mortgage Loans in the Provisional Mortgage Portfolio.

Six Month Average Pay Rate*	Total Current Balance (€)	% Total Current Balance	Number of Loans	% Number of Loans
<=0.75	13,262,906	3.52%	46	2.66%
>0.75 to <1	14,161,340	3.75%	78	4.52%
1	306,983,532	81.36%	1,435	83.09%
>1 to <=1.25	28,925,726	7.67%	111	6.43%

>1.25 to <=2	13,959,639	3.70%	57	3.30%
Grand Total	377,293,144	100.00%	1,727	100.00%

* Capped at 2 and floored at 0

THE ADMINISTRATOR AND THE ADMINISTRATION AGREEMENT

Introduction

Bank of Ireland is the current administrator of the BOIMB Loans pursuant to a Master Services Agreement dated 1 January 2012 (as amended from time to time) and entered into between Bank of Ireland and BOIMB.

Bank of Ireland has commissioned a servicer review which was undertaken by Rockstead Review Services Ireland Limited ("**Rockstead**") with registered address at Gilford Hall, 13 Gilford Road, Sandymount, Dublin 4 in February 2019 (the "**Servicer Review**"). Rockstead is an independent asset, business and process review company. The Servicer Review was undertaken by Rockstead at the request of Bank of Ireland in respect of a sample of 30 mortgage loans (18 of which comprised Mortgage Loans in the Mortgage Portfolio). The Servicer Review confirmed that the Mortgage Loans comprised in the sample are managed by Bank of Ireland in accordance with its agreed policies and procedures and in a manner compliant with the Consumer Protection Code, the Arrears Code and the SME Regulations (to the extent applicable). Rockstead has no material interest in the Issuer.

On the Closing Date, Bank of Ireland (in such capacity, the "**Administrator**") will be appointed by the Issuer under the Administration Agreement as its agent to administer the Mortgage Loans and their Related Security. The parties to the Administration Agreement to be entered into on or about the Closing Date will be the Issuer, the Trustee, the Seller, the Administrator and the Replacement Administrator Facilitator.

The Administrator will undertake to comply with any proper directions and instructions that the Issuer and (following the delivery of an Enforcement Notice) the Trustee may from time to time give to it in accordance with the provisions of the Administration Agreement. The Administrator will be required to administer the Mortgage Loans and their Related Security in the following manner:

- (a) in accordance with the Administration Agreement; and
- (b) as if the Mortgage Loans had not been sold to the Issuer but remained with the Seller and in accordance with the Seller's procedures and administration and enforcement policies as they apply to the Mortgage Loans from time to time.

BOIMB agrees that, pursuant to a mortgage sale agreement entered into between BOIMB and Bank of Ireland dated on or about the date of this Prospectus, the BOIMB Loans will, as and from the date of such mortgage sale agreement, be administered on the terms of and in accordance with the Administration Agreement.

The Administrator's actions in administration of the Mortgage Loans in accordance with its procedures and the Administration Agreement will be binding on the Issuer.

The Administrator may, in some circumstances, delegate or subcontract some or all of its responsibilities and obligations under the Administration Agreement. However, the Administrator will remain liable at all times for the administration of the Mortgage Loans and for the acts or omissions of any delegate or subcontractor.

Replacement Administrator Facilitator

The Issuer will appoint the Replacement Administrator Facilitator in accordance with the Administration Agreement. If the Administrator's appointment is terminated, the Replacement Administrator Facilitator will use best efforts to identify, on behalf of the Issuer, and assist the Issuer in the appointment of a suitable substitute Administrator in accordance with the Administration Agreement.

Powers

Subject to the guidelines for administration set forth above, the Administrator will have the power, *inter alia*:

- (a) to exercise the rights, powers and discretions of the Issuer in relation to the Mortgage Loans and their Related Security and to perform its duties in relation to the Mortgage Loans and their Related Security; and
- (b) to do or cause to be done any and all other things which it reasonably considers necessary or convenient or incidental to the administration of the Mortgage Loans and their Related Security or the exercise of such rights, powers and discretions.

Undertakings by the Administrator

The Administrator will undertake, in relation to the Mortgage Loans and their Related Security, among other things, that it will:

- (a) administer the relevant Mortgage Loans and their Related Security as if the same had not been sold to the Issuer but had remained on the books of the Seller and in accordance with the Seller's procedures and administration and enforcement policies as they apply to the Mortgage Loans from time to time;
- (b) provide the services to be undertaken by it under the Administration Agreement in such manner and with the same level of skill, care and diligence as would a Prudent Mortgage Lender;
- (c) comply with any proper directions, orders and instructions which the Issuer and (following the delivery of an Enforcement Notice) the Trustee may from time to time give to it in accordance with the provisions of the Administration Agreement;
- (d) maintain all approvals, authorisations, permissions, consents and licenses required for itself in connection with the performance of its duties under the Administration Agreement, and prepare and submit on a timely basis all necessary applications and requests for any further approvals, authorisations, permissions, consents and licenses required for itself in connection with the performance of its duties under the Administration Agreement;
- (e) save as otherwise agreed with the Issuer, provide free of charge to the Issuer and the Seller, office space, facilities, equipment and staff sufficient to fulfil the obligations of the Issuer and the Seller under the Administration Agreement;
- (f) not knowingly fail to comply with any legal requirements in the performance of its duties under the Administration Agreement including, without limitation, the Code of Conduct on Mortgage Arrears;
- (g) make all payments required to be made by it pursuant to the Administration Agreement on the due date for payment thereof in Euros (or as otherwise required under the Transaction Documents) in immediately available funds for value on such day without set-off (including, without limitation, in respect of any fees owed to it) or counterclaim but subject to any deductions required by law;
- (h) use reasonable endeavours to procure that the Seller makes payments in respect of the Mortgage Loans into the Deposit Account not later than one Business Day following receipt of the same by the Seller;
- (i) not without the prior written consent of the Trustee amend or terminate any of the Transaction Documents except in accordance with their terms;
- (j) forthwith upon becoming aware of any event which may reasonably give rise to an option or obligation for the Seller to repurchase any Mortgage Loan and its Related Security pursuant

to the Mortgage Sale Agreement, notify the Issuer, the Trustee and the Seller in writing of such event;

- (k) not create or permit to subsist any Encumbrance in relation to the Collection Accounts, other than as created under the Collection Account Declarations of Trust;
- (l) if at any time the Administrator receives any money (other than sums credited to the Collection Accounts) arising from the Mortgage Loans or the Related Security, hold such money upon trust for the Issuer as beneficial owner thereof and shall keep such money separate from other money held by it and shall promptly upon receipt transfer such money to the Deposit Account via the Collection Accounts; and
- (m) will on behalf of the Issuer publish such reports and information, and make available such documents, as are necessary to enable the Issuer to comply with its obligations under Article 7 of the Securitisation Regulation,

(such undertakings, the "**Servicing Undertakings**")

The registered office of the Administrator is located at 40 Mespil Road, Ballsbridge, Dublin 4, Ireland.

Administration Procedures

This section describes the Administrator's administration procedures based on the current Bank of Ireland mortgage servicing policies (as amended and updated from time to time) (the "**Administration Policies**"). The Administrator is required to administer the Mortgage Loans and their Related Security in the Mortgage Portfolio in accordance with the Administration Policies applicable from time to time, but subject to the terms of the Administration Agreement. The duties of the Administrator include:

- (a) (subject to certain conditions) setting the interest rates on the Variable Rate Mortgage Loans and the Tracker Mortgage Loans from time to time;
- (b) collecting payments on the Mortgage Loans and discharging Mortgage Loans and Related Security upon redemption;
- (c) monitoring and, where appropriate, pursuing arrears and enforcing the Related Security;
- (d) taking all reasonable steps to ensure safe custody of all title deeds and documents in respect of the Mortgage Loans and their Related Security which are in its possession or held on its behalf by third party storage service providers;
- (e) managing the Issuer's interests in the Insurance Policies and other Related Security related to the Mortgage Loans;
- (f) processing transfers of titles, notices of death, forfeitures and irritancies of leases, sale and exchange of land, account conversions, term amendments, deed amendments, compensation and enforcement notices;
- (g) dealing with all types of transactions posting and refunding fees, setting up direct debits, payment date changes and payment holidays;
- (h) dealing with all customer correspondence on other aspects of Mortgage Loans and their Related Security once the Mortgage Loan is drawn down, including changes in customer details and changes on the customer mortgage, i.e. product, repayment;
- (i) keeping records and books of account for the Issuer in relation to the Mortgage Loans and their Related Security comprised in the Mortgage Portfolio;

- (j) keeping records for all taxation purposes (including for VAT purposes);
- (k) notifying relevant Borrowers of any change in their Monthly Payments;
- (l) assisting the Auditors of the Issuer and providing information to them upon reasonable prior written request;
- (m) notifying relevant Borrowers of any other matter or thing which the applicable Mortgage Conditions require them to be notified of, in the manner and at the time required by the relevant Mortgage Conditions;
- (n) subject to the provisions of the Administration Agreement taking all reasonable steps to recover all sums due to the Issuer; and
- (o) acting as collection agent for the Issuer under the Direct Debiting Scheme in accordance with the provisions of the Administration Agreement;
- (p) arranging (or, where Bank of Ireland is not the Administrator, procuring that Bank of Ireland arranges) for the Investor Report and certain loan-by-loan information in relation to the Mortgage Portfolio to be published on the European Data Warehouse at <https://edwin.eurowdw.eu/edweb/Deal/ViewDeal/RMBSIE000433100520197>.

Setting of Variable Rates

Subject to the provisions of the Administration Agreement, the Issuer will grant the Administrator full right, liberty and authority from time to time to determine, in accordance with the Mortgage Conditions (including limits on the quantum of increases in variable interest rates that may be applied to those Mortgage Loans), the Variable Rates and any other discretionary rate or margin applicable to the Mortgage Loans.

Under the terms of the Administration Agreement, the Administrator undertakes that it shall not maintain the Variable Rates at a level which would result in the Weighted Average Variable Rate falling below the VR Floor. The Administrator shall calculate at the end of each Calculation Period the Weighted Average Variable Rate to determine that it has not fallen below the VR Floor for each such period.

"VR Floor " means 3 month EURIBOR plus 2.25%.

"Weighted Average Variable Rate" means, in respect of a Calculation Period, the weighted average of the variable rate that applies on the last day of each month during such Calculation Period.

Right of Delegation by an Administrator

The Administrator will be entitled to delegate its functions under the Administration Agreement subject to certain conditions (as outlined below). The Administrator remains liable to the Issuer for the performance of those functions notwithstanding such delegation.

The Administrator may subcontract or delegate the performance of its duties under the Administration Agreement, provided that it meets particular conditions, including that:

- (a) written notification has been given to each of the Issuer, the Trustee and the Rating Agencies;
- (b) where the arrangements involve the custody or control of any customer files and/or title information documents, the subcontractor or delegate has executed a written acknowledgement that those customer files and/or title information documents are and will be held to the order of the Issuer and the Trustee;

- (c) where applicable, the subcontractor or delegate is able to manage any application by a Borrower under the Personal Insolvency Act;
- (d) where the arrangements involve or may involve the receipt by the subcontractor or delegate of moneys belonging to the Issuer which are to be paid into the Deposit Account, the subcontractor or delegate holds any such moneys on trust for the Issuer which will be paid forthwith into the Deposit Account in accordance with the terms of the Administration Agreement;
- (e) the subcontractor or delegate has executed a written waiver of any security interest arising in connection with the delegated services;
- (f) the Issuer and the Trustee have no liability for any costs, charges or expenses in relation to the proposed subcontracting or delegation other than, in respect of the Issuer, any liability which the Issuer would have to the Administrator if such delegation had not occurred;
- (g) the subcontractor or delegate has confirmed that it has and will maintain all approvals required for itself in connection with the fulfilment of its obligations under the agreement with the Administrator; and
- (h) the subcontractor or delegate appointment or relationship will terminate when the appointment of the Administrator is terminated.

The provisos set out in paragraphs (a) to (h) above will not be required in respect of any delegation to (i) Bank of Ireland, (ii) an affiliate or a wholly-owned subsidiary of Bank of Ireland from time to time or (iii) persons such as valuers, surveyors, estate agents, property management agents, debt collection agencies, third party storage service providers, receivers, lawyers or other relevant professionals.

Fees

The Administrator will receive an administration fee (the "**Administration Fee**") for servicing the Mortgage Loans. The Issuer will pay the Administrator its Administration Fee which shall be calculated in relation to each Calculation Period on the basis of the number of days elapsed and a 360 day year at the rate of 0.2 per cent. per annum (inclusive of any applicable VAT) on the aggregate Current Balance of the Mortgage Portfolio as at the opening of business on the first day of the preceding Calculation Period (or, as applicable, the Closing Date). The Administration Fee is payable quarterly in arrear on each Interest Payment Date only to the extent that the Issuer has sufficient funds in accordance with the Pre-Enforcement Revenue Priority of Payments. Any unpaid balance will be carried forward until the next Interest Payment Date and, if not paid earlier, will be payable in full on the Final Maturity Date or on any earlier date on which an Enforcement Notice is served by the Trustee on the Issuer.

Collections

Payments by Borrowers in respect of amounts due under the Mortgage Loans will be made into the non-interest bearing collection accounts (the "**Collection Accounts**") held by each of the Seller and BOIMB at the Collection Account Bank. Amounts credited to the Collection Accounts from (and including) the Closing Date that relate to the Mortgage Loans will be identified on a daily basis (each such aggregate daily amount, a "**Daily Mortgage Loan Amount**") and the Administrator will transfer an amount equal to the Daily Mortgage Loan Amount from the Collection Accounts into the Deposit Account by the next Business Day after that Daily Mortgage Loan Amount is identified as received in the relevant Collection Account.

The Seller and BOIMB will each declare a trust over their respective interests in the Collection Accounts (the "**Collection Account Declarations of Trust**") in favour of, *inter alios*, the Issuer and each of them (in their capacity as a beneficiary) absolutely as beneficial tenants in common. The Issuer's share of the capital of the trust (the "**Issuer Trust Share**") on any date shall be in an amount equal to the aggregate of the Daily Mortgage Loan Amounts paid into the relevant Collection Account from (and including) the Closing Date to (and including) such

date less an amount equal to the payments made by the Administrator into the Deposit Account from (and including) the Closing Date to (and including) such date.

Borrowers are required to make payments by direct debit or cheque unless otherwise agreed. However, direct debits may be returned unpaid after the due date for payment and, under the Direct Debit Indemnity Scheme, a Borrower may make a claim at any time to his or her bank for a refund of direct debit payments. Similarly, cheques may be returned unpaid by the Borrower's bank.

In each case, the Administrator will be permitted to reclaim from the Deposit Account the corresponding amounts previously credited. If a direct debit is returned unpaid in these circumstances, the usual arrears procedures described in "*The Administrator and the Administration Agreement – Arrears and default procedures*" will be taken.

Following the occurrence of an Insolvency Event in relation to the Collection Account Bank, the Issuer shall use its best efforts to appoint a replacement financial institution to act as collection account bank (a "**Replacement Collection Account Bank**").

Arrears and Default Procedures

Bank of Ireland has established procedures for managing Mortgage Loans which are in arrears and pre-arrears, including early contact with Borrowers in order to find a solution to any financial difficulties they may be experiencing and, where appropriate, the appointment of a receiver to take possession of the Property, receive rents and/or sell the Property (such procedures, as amended and updated from time to time, the "**Arrears Policy**"). Pursuant to the Arrears Policy, all customers are assumed to be co-operating. Should a customer cease to be co-operating, the non-cooperating procedures as set out in the Arrears Policy will apply.

The Arrears Policy sets out, amongst other things, the treatments applicable for customers in pre-arrears, arrears and default. The Arrears Policy sets out three main types of treatments for customers, namely (i) full cure treatments; (ii) short term treatments; and (iii) long-term treatments.

Full Cure Treatments

Full cure treatments are offered to customers who have sufficient payment capacity and can regularise their arrears situation. These treatments include (i) capitalisation and (ii) arrears repayment plan.

Short-Term Treatments

Short-term treatments may be offered to customers who can demonstrate they have a short-term affordability problem and that there is a reasonable expectation that they will be able to recommence payments in the near future. Examples of such circumstances include, but are not limited to, rental voids or where repairs are required on the Property. Short-term treatments are defined as less than or equal to 12 months.

Bank of Ireland will offer the following type of short term treatments:

- (a) Moratorium: principal and interest repayments cease for a period of time (typically 3 months). Moratorium's are approved on an exceptional basis only;
- (b) Interest only repayment arrangements: monthly repayments are reduced to cover interest only for an agreed period.
- (c) Interest plus part capital payment arrangements: repayments are reduced to an amount sufficient to cover interest plus either a fixed or variable capital payment and step up to annuity. Alternatively, repayments are reduced to an amount sufficient to cover interest and a fixed capital repayment for the full term of the Mortgage Loan with a lump sum payable on maturity.

Long-Term Treatments

Long-term treatments are designed to support customers who require a more substantial restructuring of their mortgage loans, i.e. lasting longer than 12 months. Bank of Ireland will offer the following types of long-term treatments to BTL customers: (i) term extension; (ii) part capital and interest followed by a step-up to full capital and interest repayment or a lump sum payable at maturity; (iii) split mortgage loan (see "*Split Mortgage Loans*" below); (iv) voluntary sale or assisted voluntary sale and (v) voluntary surrender.

In determining the most appropriate treatment for the customer, Bank of Ireland will apply two key tests, being (i) a test for affordability and (ii) a test for sustainability. Full cure treatments and short term treatments only require affordability tests. Long term treatments require affordability and sustainability tests.

Split Mortgage Loans

One of the arrears management procedures that Bank of Ireland has established is a facility whereby a Borrower in arrears or about to go into arrears may be entitled to split their Mortgage Loan (any such Mortgage Loan, a "**Split Mortgage Loan**"). A Split Mortgage Loan is divided into two accounts with a view to reducing the relevant Borrower's monthly repayments. The relevant Mortgage Loan is split into (i) a portion of the principal balance on which interest continues to accrue and be charged to the relevant Borrower and is repaid on a principal and interest basis until the scheduled final repayment date (the "**Repayment Mortgage Account**") and (ii) a portion of the principal balance on which interest continues to accrue and which is repaid on an interest only basis until the scheduled final repayment date of the relevant Mortgage Loan (the "**Interest Only Mortgage Account**"). Under a Split Mortgage Loan, the relevant Borrower is not required to repay the balance of the Interest Only Mortgage Account until the end of the mortgage term however the Borrower continues to make interest only repayments in the interim. This means that, with effect from the date that a Mortgage Loan becomes a Split Mortgage Loan, the relevant Borrower's monthly payments will be lower than they were prior to the split (and in line with what the Borrower can afford to pay over time). Consequently, upon the maturity of such Split Mortgage Loan, the Borrower will be required to make a "bullet" payment that will represent the entirety of the principal amount.

Cross Collateralisation

A Property or Properties may secure more than one Mortgage Loan ("**Cross Collateralisation**"). It is the Seller's practice to manage Mortgage Loans so as to maintain the Cross Collateralisation arrangement.

Termination of the appointment of the Administrator

The appointment of the Administrator may be terminated in any of the following circumstances:

- (a) The Issuer (prior to delivery of an Enforcement Notice) with the written consent of the Trustee, or the Trustee itself (following delivery of an Enforcement Notice), (in the case of (a) or (b) below) may at any time and (in the case of (c) below) shall at once, upon written notice to the Administrator (with a copy to the Replacement Administrator Facilitator), terminate the Administrator's rights and obligations on the date specified in the notice if any of the following events (each an "**Administrator Termination Event**"): occurs:
 - (i) the Administrator defaults in the payment of any amount due under the Administration Agreement or any other Transaction Documents to which it is party and fails to remedy that default for a period of 30 Business Days after the earlier of becoming aware of the default and receipt of written notice (with a copy to the Replacement Administrator Facilitator) from the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) requiring the default to be remedied; or
 - (ii) the Administrator fails to comply with any of its other covenants or obligations under the Administration Agreement or any other Transaction Document to which it is party which in the opinion of the Trustee is materially prejudicial to the interests of the holders of the Most Senior Class of Notes and does not remedy that failure within 30 Business Days after the earlier of becoming aware of the failure and receipt of written notice from the

Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) requiring the failure to be remedied;

- (iii) an Insolvency Event occurs in relation to the Administrator; or
 - (iv) The Administrator ceasing to be authorised to service the Mortgage Loans under Part V of the Central Bank Act 1997 or failure by the Administrator to obtain or maintain the necessary licences, registrations or regulatory approvals enabling it to continue servicing the Mortgage Loans in circumstances where the Administrator is an entity required to be regulated in Ireland in relation to the Mortgage Loans.
- (b) The holders of the Class Z Notes may by an Extraordinary Resolution direct the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) to terminate the appointment of the Administrator on a date specified in the Extraordinary Resolution provided that such termination (i) may not take effect until a date that is 9 months' from the date of the relevant Extraordinary Resolution and (ii) may be revoked by a further Extraordinary Resolution at any time within 3 months of the first Extraordinary Resolution.

Following the Extraordinary Resolution, the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) will by notice in writing to the Administrator (with a copy to the Replacement Administrator Facilitator) terminate the Administrator's appointment with effect from the date specified in the Extraordinary Resolution provided that if a replacement administrator has not been appointed by such date, the Administrator's appointment shall only terminate on the date of the appointment of such replacement administrator.

- (c) Subject to the fulfilment of a number of conditions (including the appointment of a replacement administrator), the Administrator may voluntarily resign by giving not less than 3 months' notice to the Issuer, the Trustee and the Replacement Administrator Facilitator. In connection with the appointment of any replacement administrator following the giving of a resignation notice by the Administrator, the Replacement Administrator Facilitator agrees to consult with the holders of the Class Z Notes in relation to the appointment of any such replacement administrator and to include in any shortlist of potential replacement administrators it is considering a replacement administrator which is proposed in writing by holders of the Class Z Notes holding or having a beneficial interest in greater than 50% of the then aggregate Principal Amount Outstanding of the Class Z Notes. The replacement administrator is required to have experience of administering mortgages in Ireland and to enter into an administration agreement with the Issuer and the Trustee substantially on the same terms as the relevant provisions of the Administration Agreement.

The termination of the appointment of the Administrator under the circumstances described above shall be a Perfection Trigger Event resulting in the legal transfer and assignment by the Legal Title Holders to the Issuer of all of the Mortgage Loans and their Related Security as soon as reasonably practicable.

If the appointment of the Administrator is terminated, the Administrator must deliver the title information documents and customer files relating to the Mortgage Loans and Related Security to, or at the direction of, the Issuer or, following receipt of an Enforcement Notice, to or at the direction of the Trustee.

Where a replacement administrator is appointed following the occurrence of an Administrator Termination Event, the Administrator's costs and expenses associated with the transfer of administration to the substitute administrator (the **Transfer Costs**) will be paid by the outgoing Administrator except if the Administrator is forced to resign due to a change in applicable laws (in which case such costs will be borne by the Issuer). Where the Administrator fails to pay such Transfer Costs, the Issuer shall pay such Transfer Costs in accordance with the Pre-Enforcement Revenue Priority of Payments. Where a replacement administrator is appointed following the termination of the Administrator by the Issuer (prior to the delivery of an Enforcement Notice) and/or the Trustee

(following delivery of an Enforcement Notice) having been directed to do so by an Extraordinary Resolution of the holders of the Class Z Notes, the Transfer Costs will be paid by the holders of the Class Z Notes.

Termination of the appointment of the Administrator on the exercise of the Portfolio Option

Following receipt by the Issuer of an Exercise Notice from the Option Holder confirming that the Option Holder has elected to exercise the Portfolio Option and does not require the Administrator to continue to service the Mortgage Loans following the transfer of the Whole Beneficial Title and the Whole Legal Title, the Issuer will, upon written notice to the Administrator, terminate the Administrator's rights and obligations on the Portfolio Option Completion Date.

The Option Holder shall notify the Issuer and the Administrator in writing at least 9 months prior to the proposed Portfolio Option Completion Date of its then intention to exercise the Portfolio Option where it wishes the Administrator to continue to act as the Administrator from the Portfolio Option Completion Date.

Liability of the Administrator

The Administrator has agreed to indemnify each of the Issuer and the Trustee against all direct and reasonably foreseeable losses, liabilities, claims, expenses or damages incurred as a result of negligence, fraud or wilful default by the Administrator in carrying out its functions as administrator under the Administration Agreement or any other Transaction Document to which it is party or as a result of a breach by the Administrator of the terms of the Administration Agreement or the other Transaction Documents to which it is party (in such capacity).

Governing law

The Administration Agreement and any non-contractual obligations arising out of or in connection with the Administration Agreement are governed by Irish law.

THE DEPOSIT ACCOUNT BANK AND THE DEPOSIT ACCOUNT BANK AGREEMENT

Pursuant to the Deposit Account Bank Agreement, The Bank of New York Mellon, London Branch from its offices at One Canada Square, London E14 5AL, United Kingdom, in its capacity as Deposit Account Bank, has agreed to maintain the Deposit Account and the IRC Collateral Account on behalf of the Issuer.

If the long-term rating of the Deposit Account Bank from DBRS falls below A, or the long term issuer credit rating of the Deposit Account Bank from S&P falls below A, or the Deposit Account Bank fails to maintain such other ratings that are consistent with the then published criteria of the relevant Rating Agency as being the minimum ratings that are required to support the then rating of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, or (in each case) such other credit rating as would not adversely affect the then current rating of the Rated Notes, the Issuer shall, within 30 calendar days, use reasonable endeavours to, amongst other things, transfer the Issuer Accounts to another bank that satisfies the relevant Rating Agency's criteria. See "*Deposit Account Bank*" in the *Rating Triggers Table*.

The Deposit Account will bear or charge interest at a rate equal to the applicable EONIA – 0.125 per cent. If a negative interest rate is applied to the Deposit Account by the Deposit Account Bank, the relevant charged interest will be billed to the Issuer by the Deposit Account Bank and will be paid concurrently with the fees payable by the Issuer to the Deposit Account Bank, subject to the applicable Priority of Payments.

THE INTEREST RATE CAP PROVIDER AND THE INTEREST RATE CAP AGREEMENT

The Interest Rate Cap Provider

HSBC Bank plc

HSBC Bank plc and its subsidiaries form a group providing a range of banking products and services.

HSBC Bank plc (formerly Midland Bank plc) was formed in England in 1836 and subsequently incorporated as a limited company in 1880. In 1923, the company adopted the name Midland Bank Limited, which it held until 1982 when it re-registered and changed its name to Midland Bank plc. In 1992, Midland Bank plc became a wholly owned subsidiary undertaking of HSBC Holdings plc, whose Group Head Office is at 8 Canada Square, London E14 5HQ. HSBC Bank plc adopted its current name, changing from Midland Bank plc, in 1999.

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide across 66 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,558bn at 31 December 2018, HSBC is one of the world's largest banking and financial services organisations.

The short term senior unsecured and unguaranteed obligations of HSBC Bank plc are, as at the date of this Prospectus, rated P-1 by Moody's and A-1+ by Standard & Poor's and HSBC Bank plc has a short term issuer default rating of F1+ from Fitch. The long term senior unsecured and unguaranteed obligations of HSBC Bank plc are rated Aa3 by Moody's and AA- by Standard & Poor's and HSBC Bank plc has a long term issuer default rating of AA- from Fitch.

HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. HSBC Bank plc's principal place of business in the United Kingdom is 8 Canada Square, London E14 5HQ.

The Interest Rate Cap Agreement

On or before the Closing Date, the Issuer will enter an ISDA 2002 Master Agreement (together with the Schedule and Credit Support Annex thereto and Confirmation thereunder) with the Interest Rate Cap Provider (the "**Interest Rate Cap Agreement**") to provide hedging against interest rate fluctuations (the "**Interest Rate Cap**"). The Interest Rate Cap Agreement is effective from and including the Closing Date up to and including 24 April 2026 (or, if earlier, the Relevant Redemption Date).

Pursuant to the Interest Rate Cap Agreement, the Interest Rate Cap Provider, against payment by the Issuer of the Interest Rate Cap Fee on the Closing Date, shall make payments to the Issuer on each Interest Payment Date if and to the extent three month EURIBOR for the relevant Interest Period exceeds the Cap Strike Rate.

The notional balance of the Interest Rate Cap will be equal to €75,460,000, as set out in the Interest Rate Cap Agreement (the "**Notional Amount**").

In the event that the relevant rating(s) of the Interest Rate Cap Provider is or are, as applicable, downgraded by a Rating Agency below the Cap Required Ratings, the Interest Rate Cap Provider will, in accordance with the Interest Rate Cap Agreement, be required to take certain remedial measures within the timeframe stipulated in the Interest Rate Cap Agreement and at its own cost which may include (i) the provision of collateral for its obligations under the Interest Rate Cap Agreement in accordance with the terms of the Credit Support Annex thereto, or (ii) arranging for its obligations under the Interest Rate Cap Agreement to be transferred to an entity with the Cap Required Ratings, or (iii) procuring another entity with at least the Cap Required Ratings to become a guarantor in respect of its obligations under the Interest Rate Cap Agreement, or (iv) taking such other action as it may agree with the relevant Rating Agency as will result in the ratings of the then outstanding Class of Notes with the highest

rating by the relevant Rating Agency being restored to or maintained at the level they were at immediately prior to the downgrade. A failure to take such steps, subject to certain conditions, will give the Issuer the right to terminate the Interest Rate Cap Agreement.

The Interest Rate Cap Agreement may also be terminated in certain other circumstances that may include, without limitation, the following: (i) a Relevant Redemption Date occurs; (ii) if certain insolvency events occur or (iii) if a change in law results in the obligations of one of the parties becoming illegal.

For the purposes of this Section and the Interest Rate Cap Agreement, the following defined terms shall have the following meanings:

"Cap Strike Rate" means 1.5 per cent.

"Cap Required Ratings" means, with respect to the Interest Rate Cap Provider or a replacement or guarantor in respect thereof, the minimum relevant rating(s) required by each Rating Agency as more particularly described in the "*Transaction Overview – Triggers Tables – Rating Triggers Table*" section above.

"Interest Rate Cap Fees" means €760,000 payable on the Closing Date from the proceeds of issuance of the Notes.

"Relevant Redemption Date" means the date as of which all amounts due under the Rated Notes have been repaid and/or redeemed in full or no amounts remain to be paid under the Rated Notes pursuant to Condition 10 (*Limited Recourse*).

KEY STRUCTURAL FEATURES

CREDIT ENHANCEMENT AND LIQUIDITY SUPPORT

The Notes are obligations of the Issuer only and will not be the obligations of, or the responsibility of, or guaranteed by, any other party. However, there are a number of features of the transaction which enhance the likelihood of timely receipt of interest payments by the Noteholders, as follows:

- (a) Available Revenue Receipts are expected to exceed interest due and payable on the Rated Notes and Senior Expenses of the Issuer (including retaining the Issuer Profit Amount).
- (b) Any Senior Revenue Shortfall on any Interest Payment Date may be funded by applying amounts standing to the credit of the Senior Reserve Fund and any Remaining Senior Revenue Shortfall on any Interest Payment Date may be funded by applying Available Principal Receipts.
- (c) Any Revenue Shortfall on any Interest Payment Date may be funded by applying amounts standing to the credit of the General Reserve Fund and any Remaining Revenue Shortfall on any Interest Payment Date after the Class A Notes have been redeemed in full may be funded by applying Available Principal Receipts.
- (d) Payments of interest and principal on the classes of Notes are made in Sequential Order and interest payments on the Notes other than the Most Senior Class of Notes may be deferred where the Issuer has insufficient proceeds.
- (e) Losses are allocable to the classes of Notes in reverse Sequential Order in the Principal Deficiency Ledger, first to the Class Z Principal Deficiency Sub-Ledger, then to the Class E Principal Deficiency Sub-Ledger, then to the Class D Principal Deficiency Sub-Ledger, then to the Class C Principal Deficiency Sub-Ledger, then to the Class B Principal Deficiency Sub-Ledger and then to the Class A Principal Deficiency Sub-Ledger.
- (f) Amounts credited to the Deposit Account may be invested in Authorised Investments.
- (g) The proceeds of issuance of the Class Z Notes and expenses will be used to (i) fund the Senior Reserve Fund on the Closing Date; (ii) fund the General Reserve Fund on the Closing Date, (iii) meet the costs in connection with the issuance of the Notes; and (iv) to pay the Interest Rate Cap Fees.

For the purposes of this paragraph and where used elsewhere in this Prospectus:

"First Collection Period" means the period from (and including) the Closing Date to (and including) the Calculation Date immediately preceding the First Interest Payment Date.

"Senior Expenses" means any senior expenses of the Issuer which rank in priority to the Most Senior Class of Notes in the relevant Priority of Payments.

"Sequential Order" means, in respect of payments of principal and interest to be made to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and Class Z Notes: first, to redeem or pay interest (as applicable) on the Class A Notes, second, to redeem or pay interest (as applicable) on the Class B Notes, third, to redeem or pay interest (as applicable) on the Class C Notes, fourth, to redeem or pay interest (as applicable) on the Class D Notes, fifth, to redeem or pay interest (as applicable) on the Class E Notes and sixth, to redeem or pay interest (as applicable) on the Class Z Notes.

Each of these factors is considered in more detail below.

Credit Support for the Notes provided by Available Revenue Receipts

It is anticipated that, during the life of the Notes, the interest payable by Borrowers on the Mortgage Loans will be sufficient so that the Available Revenue Receipts will be available to pay the amounts payable under items (a) to (u) of the Pre-Enforcement Revenue Priority of Payments. The actual amount of any excess will vary during the life of the Notes. Two of the key factors determining such variation are the interest rates applicable to the Mortgage Loans in the Mortgage Portfolio and the performance of the Mortgage Portfolio.

Available Revenue Receipts may be applied (after making payments or provisions ranking higher in the Pre-Enforcement Revenue Priority of Payments) on each Interest Payment Date towards reducing any Principal Deficiency Ledger entries (which may arise from, *inter alia*, Losses on the Mortgage Portfolio).

To the extent that the amount of Available Revenue Receipts on each Interest Payment Date exceeds the aggregate of the payments and provisions required to be met in priority to item (d) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to replenish and increase the Senior Reserve Fund up to an amount equal to the Senior Reserve Fund Required Amount.

To the extent that the amount of Available Revenue Receipts on each Interest Payment Date exceeds the aggregate of the payments and provisions required to be met in priority to item (n) of the Pre-Enforcement Revenue Priority of Payments, such excess is available to replenish and increase the General Reserve Fund up to an amount equal to the General Reserve Fund Required Amount.

Liquidity support provided by use of Senior Reserve Fund to fund Senior Revenue Shortfall

On each Calculation Date, the Cash Manager will determine whether Available Revenue Receipts (other than item (c) and any Available Principal Receipts applied to remedy a Remaining Senior Revenue Shortfall pursuant to item (e) of Available Revenue Receipts) are sufficient to pay or provide for payment of items (a) to (d) inclusive of the Pre-Enforcement Revenue Priority of Payments. To the extent that Available Revenue Receipts are insufficient for this purpose (with any such shortfall being a "**Senior Revenue Shortfall**"), the Cash Manager on behalf of the Issuer shall, on the relevant Interest Payment Date, pay or provide for such Senior Revenue Shortfall by applying amounts standing to the credit of the Senior Reserve Fund.

If, on any Interest Payment Date, the funds credited to the Senior Reserve Fund (having taken into account any funds applied on such Interest Payment Date to remedy a Senior Revenue Shortfall) exceed the Senior Reserve Fund Required Amount, the excess (being the "**Senior Reserve Fund Excess Amounts**") shall form part of the Available Revenue Receipts to be distributed on such Interest Payment Date.

Liquidity support provided by use of General Reserve Fund to fund Revenue Shortfall

On each Calculation Date, the Cash Manager will determine whether Available Revenue Receipts (other than items (d) and any Available Principal Receipts applied to remedy a Remaining Revenue Shortfall pursuant to item (e) of Available Revenue Receipts) are sufficient to pay or provide for payment of items (g) to (n) inclusive of the Pre-Enforcement Revenue Priority of Payments. To the extent that Available Revenue Receipts are insufficient for this purpose (with any such shortfall being a "**Revenue Shortfall**"), the Cash Manager on behalf of the Issuer shall, on the relevant Interest Payment Date, pay or provide for such Revenue Shortfall by applying amounts standing to the credit of the General Reserve Fund.

Use of Available Principal Receipts to fund a Remaining Senior Revenue Shortfall and a Remaining Revenue Shortfall

If, on a Calculation Date, the Cash Manager determines that, following application of Available Revenue Receipts (other than items (e) of Available Revenue Receipts), and amounts standing to the credit of the Senior Reserve Fund as described above, there will be a Remaining Senior Revenue Shortfall, the Cash Manager shall pay or provide for that Remaining Senior Revenue Shortfall by the application of Available Principal Receipts on the following Interest Payment Date towards the payment in order of priority of the amounts referred to in items (a) to

(f) in the Pre-Enforcement Revenue Priority of Payments (in the same order of priority as set out in the Pre-Enforcement Revenue Priority of Payments).

If, in respect of any Interest Payment Date after the Class A Notes have been redeemed in full or the Principal Amount Outstanding of each Class A Note is not greater than €1 or in respect of any Interest Payment Date after the Class A Notes and the Class B Notes have been redeemed in full, the Cash Manager determines that, following application of Available Revenue Receipts (excluding item (e) of Available Revenue Receipts) and amounts standing to the credit of the General Reserve Fund as described above, there will be a Remaining Revenue Shortfall, the Cash Manager shall pay or provide for that Remaining Revenue Shortfall by the application of Available Principal Receipts on the relevant Interest Payment Date towards the payment in order of priority of the amounts referred to in items (g) and (n) of the Pre-Enforcement Revenue Priority of Payments (in the same order of priority as set out in the Pre-Enforcement Revenue Priority of Payments).

The Principal Deficiency Ledger will be debited on each Interest Payment Date by an amount equal to the amount of any Available Principal Receipts applied to fund a payment of a Remaining Senior Revenue Shortfall or a Remaining Revenue Shortfall (as applicable) arising on that Interest Payment Date.

For more information about the application of Available Principal Receipts to fund payments of Senior Expenses and interest on the Rated Notes see the section entitled "*Cashflows and Cash Management*".

Payment of the Notes in Sequential Order and deferral of payments on the Notes

Payments of interest on the classes of Notes will be paid in Sequential Order (so that payments on the Class Z Notes, the Class E Notes, the Class D Notes, the Class C Notes and the Class B Notes will be subordinated to payments on the Class A Notes; payments on the Class Z Notes, the Class E Notes, the Class D Notes and the Class C Notes will be subordinated to payments on the Class B Notes; payments on the Class Z Notes, the Class E Notes and the Class D Notes will be subordinated to payments on the Class C Notes; payments on the Class Z Notes and the Class E Notes will be subordinated to the Class D Notes and payments on the Class Z Notes will be subordinated to payments on the Class E).

Any shortfall in payments of interest on any class of Notes (other than the Class A Notes) will be deferred until the next Interest Payment Date and this will not constitute an Event of Default. On the next Interest Payment Date, the amount of interest scheduled to be paid on a class of Notes for which interest has been deferred (other than the Class A Notes) will be increased to take account of any deferral of such amounts. The deferral process will continue until the Final Maturity Date of the Notes, at which point, all such deferred amounts (including interest thereon) will become due and payable. However, if there is insufficient money available to the Issuer to pay interest on any class of Notes, then the relevant Noteholders may not receive all interest amounts.

Similarly, any shortfall in payments of Additional Note Payments on the Class C Notes, the Class D Notes and the Class E Notes will be deferred until the next Interest Payment Date and this will not constitute an Event of Default. On the next Interest Payment Date, the relevant Additional Note Payments will be made (including interest (if any) accrued but unpaid and/or deferred and accrued interest thereon). The deferral process will continue until the Final Maturity Date of the Notes, at which point, all such deferred amounts (including interest thereon) will become due and payable. However, if there is insufficient money available to the Issuer to pay Additional Note Payments on any Class of Notes, then the relevant Noteholders may not receive all Additional Note Payments.

Payments in respect of the Class Z Note Interest Amount are not deferrable as in circumstances where the Issuer has insufficient proceeds available to meet its obligations ranking senior to the Class Z Notes, the amount due under the Class Z Notes shall be zero.

It is not intended that any surplus will be accumulated in the Issuer, other than, for the avoidance of doubt, the Issuer Profit Amount and amounts standing to the credit of the General Reserve Fund.

The Principal Deficiency Ledger

On each Calculation Date, the Cash Manager will determine any Losses on the Mortgage Loans in the Mortgage Portfolio (based on information provided by the Administrator with respect to the Mortgage Portfolio).

Arrears Percentage means:

- (a) for Mortgage Loans between 180 days and 269 days in arrears, 50 per cent.;
- (b) for Mortgage Loans between 270 days and 359 days in arrears, 75 per cent.; and
- (c) for Mortgage Loans more than 359 days in arrears, 100 per cent.

"Losses" means any losses as determined by the Administrator in accordance with its then current procedures including, to the extent relevant, its Arrears Policy, arising in relation to a Mortgage Loan in the Mortgage Portfolio which causes a shortfall in the amount available to pay principal on the Notes (including, without limitation, any write downs under the Personal Insolvency Act or any Loss as a result of an exercise of any set-off by any Borrower in respect of its Mortgage Loan) or otherwise;

A Principal Deficiency Ledger, comprising six sub-ledgers (one relating to each class of Notes), will be established on the Closing Date. The Principal Deficiency Ledger will record as debit items any deemed principal losses in respect of the Mortgage Portfolio, including the following:

- (a) any Losses on the Mortgage Loans in the Mortgage Portfolio;
- (b) in the case of a Mortgage Loan in arrears by 180 days, an amount equal to the Current Balance of such Mortgage Loan multiplied by the then current Arrears Percentage, provided that, for the avoidance of doubt, if a Mortgage Loan no longer falls under items (a), (b) or (c) of the definition of the Arrears Percentage, the amount previously debited to the Principal Deficiency Ledger is instead credited to the Principal Deficiency Ledger;
- (c) the application of any Principal Receipts to meet any Remaining Senior Revenue Shortfall or Remaining Revenue Shortfall; and
- (d) the application of any Principal Deficiency Excess Revenue Amount.

Losses or debits recorded on the Class A Principal Deficiency Sub-Ledger shall be recorded in respect of the Class A Notes. Losses or debits recorded on the Class B Principal Deficiency Sub-Ledger shall be recorded in respect of the Class B Notes. Losses or debits recorded on the Class C Principal Deficiency Sub-Ledger shall be recorded in respect of the Class C Notes. Losses or debits recorded on the Class D Principal Deficiency Sub-Ledger shall be recorded in respect of the Class D Notes. Losses or debits recorded on the Class E Principal Deficiency Sub-Ledger shall be recorded in respect of the Class E Notes. Losses or debits recorded on the Class Z Principal Deficiency Sub-Ledger shall be recorded in respect of the Class Z Notes.

Losses will be recorded as a debit to the Principal Deficiency Ledger as follows:

- (a) first, to the Class Z Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z Notes;
- (b) second, to the Class E Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class E Notes;
- (c) third, to the Class D Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class D Notes;
- (d) fourth, to the Class C Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class C Notes;

- (e) fifth, to the Class B Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class B Notes; and
- (f) sixth, to the Class A Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class A Notes.

Amounts allocated to the Principal Deficiency Ledger shall be reduced to the extent of Available Revenue Receipts available for such purpose on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Priority of Payments as follows:

- (a) first, to the Class A Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (b) second, to the Class B Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (c) third, to the Class C Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (d) fourth, to the Class D Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (e) fifth, to the Class E Principal Deficiency Sub-Ledger to reduce the debit balance to zero; and
- (f) sixth, to the Class Z Principal Deficiency Sub-Ledger to reduce the debit balance to zero.

On each Calculation Date, the Cash Manager will calculate the then current balance of the Principal Deficiency Ledger and will, on the immediately succeeding Interest Payment Date, apply excess Available Revenue Receipts to cure any debit entries. In the event that it is subsequently determined that the balance of the Principal Deficiency Ledger was calculated as being higher than was subsequently found to be the case (as a result of Mortgage Loans in arrears being subsequently found to have been fully or partially cured or following any recoveries from defaulting Borrowers on enforcement of any Mortgage Loan (including proceeds of sale of the relevant Property) which amounts have already been recorded as a debit to the Principal Deficiency Ledger), it may be the case that, on any Interest Payment Date, the Available Revenue Receipts that are applied to cure a debit entry on the Principal Deficiency Ledger will be excessive for such purpose. In such circumstances, following the application of Available Revenue Receipts the Principal Deficiency Ledger will have a negative balance (any such amount, the "**Principal Deficiency Excess**"). Any amounts equal to the balance of such Principal Deficiency Excess shall form part of the Available Revenue Receipts on the following Interest Payment Date, such amounts being "**Principal Deficiency Excess Revenue Amounts**".

As part of the Available Revenue Receipts on each Interest Payment Date, the Issuer shall also apply any amount standing to the credit of the Senior Reserve Fund to extinguish or reduce any balance on the Class A Principal Deficiency Sub-Ledger (see "*Liquidity support provided by use of Senior Reserve Fund*" above).

As part of the Available Revenue Receipts on each Interest Payment Date, the Issuer shall also apply any amount standing to the credit of the General Reserve Fund to extinguish or reduce any balance on the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger and the Class E Principal Deficiency Sub-Ledger (see "*Liquidity support provided by use of General Reserve Fund*" above).

Deposit Account

All monies held by the Issuer will be deposited in the Deposit Account in the first instance. The Deposit Account is maintained with the Deposit Account Bank. The Issuer (or the Cash Manager on its behalf) may invest sums standing to the credit of the Deposit Account in Authorised Investments.

Cash Manager

The Issuer has appointed the Cash Manager pursuant to the Cash Management Agreement. Pursuant to the Cash Management Agreement, the Cash Manager will agree to provide certain cash management and other services to

the Issuer. The Cash Manager's principal functions will be effecting payments to and from the Deposit Account and making corresponding calculations and determinations on behalf of the Issuer. See further the section entitled "*Cashflows and Cash Management*".

The Cash Manager may, with the prior written consent of the Issuer and the Trustee, appoint any person as its sub-contractor to carry out all or part of the cash management services subject to certain conditions, including that the Cash Manager shall not be released or discharged from any liability whatsoever under the Cash Management Agreement.

The Cash Management Agreement and any non-contractual obligations arising out of or in connection with the Cash Management Agreement will be governed by Irish law.

CASHFLOWS AND CASH MANAGEMENT

APPLICATION OF REVENUE RECEIPTS PRIOR TO SERVICE OF AN ENFORCEMENT NOTICE

Definition of Revenue Receipts

"Revenue Receipts" means payments received by the Issuer directly or from the Seller representing:

- (a) payments of interest (including Arrears of Interest and Accrued Interest but excluding Capitalised Arrears) and fees due from time to time under the Mortgage Loans;
- (b) recoveries of interest and outstanding fees (excluding Capitalised Arrears, if any) from defaulting Borrowers under Mortgage Loans being enforced;
- (c) recoveries of interest from defaulting Borrowers under Mortgage Loans in respect of which enforcement procedures have been completed (excluding any Trust Property to which the Seller is entitled);
- (d) the proceeds of the repurchase of any Mortgage Loan by the Seller from the Issuer pursuant to the Mortgage Sale Agreement to the extent such proceeds are attributable to Accrued Interest, Arrears of Interest and other interest amounts in respect of the Mortgage Loans (excluding, for the avoidance of doubt, Capitalised Arrears) as at the relevant transfer date;
- (e) the proceeds of any indemnity payment received from the Seller in respect of any breach of any Mortgage Loan Warranty or any indemnity in respect of a Tracker Remediation Mortgage Loan pursuant to the Mortgage Sale Agreement to the extent such proceeds are attributable to Accrued Interest, Arrears of Interest and other interest amounts in respect of the Mortgage Loans; and
- (f) any early repayment charges which have been paid by the Borrower in respect of the Mortgage Loans.

"Accrued Interest" means as at any date (the "**determination date**") on or after the Cut-Off Date and in relation to any Mortgage Loan, interest on such Mortgage Loan (not being interest which is currently payable on the determination date) which has accrued (but is not yet due and payable) from and including the Monthly Payment Date immediately prior to the determination date to and including the determination date.

"Arrears of Interest" means as at any date (the "**determination date**") on or after the Cut-Off Date and in relation to any Mortgage Loan, interest (which has not been capitalised) on such Mortgage Loan which is currently due, payable and unpaid.

"Capitalised Arrears" means, in relation to a Mortgage Loan, on any date, amounts which have become overdue in respect of that Mortgage Loan and which as at that date have been added to the Capital Balance of such Mortgage Loan in accordance with the Mortgage Conditions or with the Borrower's consent or in accordance with the Seller's normal charging practices and any applicable regulatory obligations.

"Trust Property" means the benefit of the rights, powers and covenants in the Trustee's favour contained in the Trust Deed and the other Transaction Documents and all proceeds derived therefrom.

Definition of Available Revenue Receipts

"Available Revenue Receipts" means, for each Interest Payment Date, an amount equal to the aggregate of (without double-counting):

- (a) the Revenue Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period which have been designated as Available Revenue Receipts by the Cash Manager in accordance with the Cash Management Agreement;
- (b) interest payable to the Issuer on the Deposit Account and income from any Authorised Investments in each case received during the immediately preceding Calculation Period;
- (c) any amounts withdrawn from the Senior Reserve Fund to remedy a Senior Revenue Shortfall;
- (d) any amounts withdrawn from the General Reserve Fund to remedy a Revenue Shortfall;
- (e) any Principal Receipts applied to remedy a Remaining Senior Revenue Shortfall or a Remaining Revenue Shortfall;
- (f) any Principal Receipts applied as Principal Deficiency Excess Revenue Amounts;
- (g) on the Final Rated Note Distribution Date, the General Reserve Fund Residual Amount;
- (h) amounts received by the Issuer under or in connection with the Interest Rate Cap Agreement, other than amounts that must be otherwise applied under the IRC Collateral Account Priority of Payments;
- (i) any Senior Reserve Fund Excess Amounts; and
- (j) other net income of the Issuer received during the immediately preceding Calculation Period (other than any Principal Receipts).

Senior Reserve Fund and Senior Reserve Fund Ledger

On the Closing Date, a fund will be established called the Senior Reserve Fund in the Deposit Account. The Senior Reserve Fund will be funded on the Closing Date by part of the proceeds of issue of the Class Z Notes in the sum of €4,754,000 (being an amount equal to 2 per cent. of the Principal Amount Outstanding of the Class A Notes as at the Closing Date) (the "**Initial Senior Reserve Fund Required Amount**"). The Senior Reserve Fund will be credited to the Deposit Account (with a corresponding credit to the Senior Reserve Fund Ledger).

The Cash Manager will maintain a ledger pursuant to the Cash Management Agreement to record the balance from time to time of the Senior Reserve Fund (the "**Senior Reserve Fund Ledger**").

After the Closing Date, the Senior Reserve Fund will be replenished from Available Revenue Receipts in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments and, as applicable, from Available Principal Receipts in accordance with the provisions of the Pre-Enforcement Principal Priority of Payments up to the Senior Reserve Fund Required Amount.

"**Senior Reserve Fund Required Amount**" means (a) on any Interest Payment Date up to (but excluding) the earlier of (x) the Interest Payment Date on which the Class A Notes are redeemed in full; and (y) the Interest Payment Date on which the outstanding principal balance of the Mortgage Loans becomes less than one per cent. of the initial principal balance of the Mortgage Loans as at the Closing Date, an amount equal to the greater of:

- (i) the product of (A) 2 per cent. and (B) the Principal Amount Outstanding of the Class A Notes on the relevant Interest Payment Date; and
- (ii) the product of (A) 1 per cent. and (B) the Principal Amount Outstanding of the Class A Notes on the Closing Date; and

(b) thereafter, zero.

If, on any Interest Payment Date, the funds credited to the Senior Reserve Fund (having taken into account any funds applied on such Interest Payment Date to remedy a Senior Revenue Shortfall) exceed the Senior Reserve Fund Required Amount, the excess (being the "**Senior Reserve Fund Excess Amounts**") shall form part of the Available Revenue Receipts to be distributed on such Interest Payment Date.

On the earlier of (i) the redemption in full of the Class A Notes or (ii) the aggregate Current Balance of the Mortgage Loans being less than one per cent of the aggregate Current Balance of the Mortgage Loans on the Closing Date, the Issuer will not be required to maintain the Senior Reserve Fund and the Senior Reserve Fund Required Amount will be zero, at which point, amounts standing to the credit of the Senior Reserve Fund (the "**Senior Reserve Fund Residual Amount**") will be used as Available Principal Receipts and shall be applied in accordance with the Pre-Enforcement Principal Priority of Payments.

General Reserve Fund and General Reserve Fund Ledger

On the Closing Date, a fund will be established called the General Reserve Fund in the Deposit Account. The General Reserve Fund will be funded on the Closing Date by part of the proceeds of issue of the Class Z Notes in the sum of €1,962,000 (being an amount equal to 2 per cent. of the aggregate Principal Amount Outstanding of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes on the Closing Date) (the "**Initial General Reserve Fund Required Amount**"). The General Reserve Fund will be credited to the Deposit Account (with a corresponding credit to the General Reserve Fund Ledger).

The Cash Manager will maintain a ledger pursuant to the Cash Management Agreement to record the balance from time to time of the General Reserve Fund (the "**General Reserve Fund Ledger**").

After the Closing Date, the General Reserve Fund will be replenished from Available Revenue Receipts in accordance with the provisions of the Pre-Enforcement Revenue Priority of Payments up to the General Reserve Fund Required Amount.

"**General Reserve Fund Required Amount**" means an amount equal to

- (a) on any Interest Payment Date up to (but excluding) the date that the Class E Notes are redeemed in full, an amount equal to the product of (x) 2 per cent.; and (y) the aggregate Principal Amount Outstanding of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; and
- (b) thereafter, zero.

Following redemption in full of the Rated Notes, the Issuer will not be required to maintain the General Reserve Fund and the General Reserve Fund Required Amount will be zero. Any amounts standing to the credit of the General Reserve Fund following redemption in full of the Rated Notes will be used as Available Revenue Receipts and shall be applied in accordance with the Pre-Enforcement Revenue Priority of Payments.

Use of General Reserve Fund Residual Amount to redeem the Notes on the Final Rated Note Distribution Date.

On the Final Rated Note Distribution Date, to the extent that the General Reserve Fund Residual Amount plus all Principal Receipts in respect of the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period is greater than the Principal Amount Outstanding of the Rated Notes, such amounts will be applied as Available Principal Receipts and used to redeem the Notes on such Interest Payment Date.

The "**Final Rated Note Distribution Date**" means the Interest Payment Date on which the General Reserve Fund Residual Amount plus all Principal Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period is greater than or equal to the Principal Amount Outstanding of the Rated Notes.

The "**General Reserve Fund Residual Amount**" means, with respect to any Interest Payment Date, the amount standing to the credit of the General Reserve Fund minus any amount to be applied to make up a Revenue Shortfall on such Interest Payment Date pursuant to item (d) of the definition of Available Revenue Receipts.

Application of Available Revenue Receipts prior to the service of an Enforcement Notice by the Trustee on the Issuer

On each Interest Payment Date (or in respect of items (a) and (b) below, on any date) prior to the service of an Enforcement Notice by the Trustee on the Issuer, the Cash Manager (on behalf of the Issuer) shall apply or provide for the Available Revenue Receipts in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Pre-Enforcement Revenue Priority of Payments**"):

- (a) first, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any fees, costs, charges, liabilities, expenses and all other amounts then due and payable or to become due and payable in the immediately succeeding Interest Period to the Trustee or any Appointee under the provisions of the Trust Deed and the other Transaction Documents together with (if payable) VAT thereon as provided therein;
- (b) second, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Issuer Profit Amount;
 - (ii) any remuneration then due and payable to the Reference Agent, the Registrar and the Paying Agents and any costs, charges, liabilities and expenses then due or to become due and payable in the immediately succeeding Interest Period to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;
 - (iii) any remuneration due and payable to the Deposit Account Bank under the Deposit Account Bank Agreement and any costs, charges, liabilities and expenses then due and payable to the Deposit Account Bank or any such amount to become due and payable in the immediately succeeding Interest Period to it under the provisions of the Deposit Account Bank Agreement, together with (if payable) VAT thereon as provided therein;
 - (iv) any amounts due and payable to the Replacement Administrator Facilitator and any costs, charges, liabilities and expenses then due and payable to the Replacement Administrator Facilitator or any such amount to become due and payable to the Replacement Administrator Facilitator in the immediately succeeding Interest Period under the provisions of the Administration Agreement, together with (if payable) VAT thereon as provided therein;
 - (v) any amounts then due and payable to the Cash Manager and any costs, charges, liabilities and expenses then due and payable to the Cash Manager or any such amount to become due and payable to the Cash Manager in the immediately succeeding Interest Period under the provisions of the Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
 - (vi) any amounts then due and payable to the Corporate Services Provider and any costs, charges, liabilities and expenses then due and payable or to become due and payable in the immediately succeeding Interest Period to the Corporate Services Provider under the provisions of the Corporate Services Agreement, together with (if payable) VAT thereon as provided therein; and
 - (vii) any amounts due and payable by the Issuer to third parties and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) in respect of amounts necessary to provide for any such amounts expected to become due and payable by the Issuer in

the immediately succeeding Interest Period including, but not limited to, audit fees, legal fees, tax compliance fees and anticipated winding-up costs of the Issuer and any amounts required to pay or discharge any liability of the Issuer to VAT or corporation tax or other tax (which cannot be met out of amounts retained previously by the Issuer as profit under item (b)(i) above);

- (viii) any Transfer Costs which the Administrator has failed to pay;
- (c) third, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due and payable to the Administrator and any costs, charges, liabilities and expenses then due and payable to the Administrator or any such amount to become due and payable to the Administrator in the immediately succeeding Interest Period under the provisions of the Administration Agreement (including any indemnity payments), together with (if payable) VAT thereon as provided therein;
 - (d) fourth, in or towards payment of amounts of interest due and payable on the Class A Notes to the holders of the Class A Notes;
 - (e) fifth, for so long as the Class A Notes will remain outstanding following such Interest Payment Date) to credit the Senior Reserve Fund Ledger up to the Senior Reserve Fund Required Amount;
 - (f) sixth, to credit the Class A Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
 - (g) seventh, in or towards payment of interest due and payable on the Class B Notes (including any Deferred Interest and Additional Interest thereon);
 - (h) eighth, to credit the Class B Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
 - (i) ninth, in or towards payment of interest due and payable on the Class C Notes (including any Deferred Interest and Additional Interest thereon but excluding any Additional Note Payments);
 - (j) tenth, to credit the Class C Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
 - (k) eleventh, in or towards payment of interest due and payable on the Class D Notes (including any Deferred Interest and Additional Interest thereon but excluding any Additional Note Payments);
 - (l) twelfth, to credit the Class D Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
 - (m) thirteenth, in or towards payment of interest due and payable on the Class E Notes (including any Deferred Interest and Additional Interest thereon but excluding any Additional Note Payments);
 - (n) fourteenth, to credit the Class E Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
 - (o) fifteenth, for so long as the Rated Notes will remain outstanding following such Interest Payment Date to credit the General Reserve Fund up to the General Reserve Fund Required Amount;
 - (p) sixteenth, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of any amount due as a Class C Additional Note Payment;
 - (q) seventeenth, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of any amount due as a Class D Additional Note Payment;

- (r) eighteenth, on and from the Interest Payment Date immediately following the Step-Up Date, in or towards payment of any amount due as a Class E Additional Note Payment;
- (s) nineteenth, to credit the Class Z Principal Deficiency Sub-Ledger in an amount sufficient to eliminate any debit thereon;
- (t) twentieth, on the Portfolio Option Call Date and each Interest Payment Date thereafter on which the Rated Notes remain outstanding, the balance of Available Revenue Receipts following application in accordance with (a) to (s) above to be applied as Available Principal Receipts; and
- (u) twenty-first, in or towards satisfaction pro rata and pari passu, the Class Z Note Interest Amount on the Class Z Notes (which shall be zero in circumstances where the Issuer has insufficient proceeds available to meet its obligations under paragraphs (a) to (t) above).

APPLICATION OF PRINCIPAL RECEIPTS PRIOR TO SERVICE OF AN ENFORCEMENT NOTICE

Definition of Principal Receipts

"Principal Receipts" means payments received by the Issuer representing:

- (a) any payment in respect of principal received in respect of any Mortgage Loan (including Capitalised Arrears and Capitalised Expenses but excluding Accrued Interest and Arrears of Interest);
- (b) recoveries of principal from defaulting Borrowers on enforcement of any Mortgage Loan (including the proceeds of sale of the relevant Property but excluding any Trust Property to which the Seller is entitled);
- (c) any payment pursuant to any Insurance Policy in respect of a Property in connection with a Mortgage Loan in the Mortgage Portfolio;
- (d) recoveries of principal on redemption (including partial redemption) of any Mortgage Loan;
- (e) proceeds of the repurchase of any Mortgage Loan by the Seller from the Issuer pursuant to the Mortgage Sale Agreement (to the extent such proceeds are not attributable to interest amounts in respect of the Mortgage Loans as at the relevant transfer date);
- (f) the proceeds of any indemnity payment received from the Seller in respect of any breach of any Mortgage Loan Warranty or any indemnity in respect of a Tracker Remediation Mortgage Loan pursuant to the Mortgage Sale Agreement (to the extent representing principal);
- (g) amounts representing the Option Purchase Price received by the Issuer upon sale of the Mortgage Portfolio pursuant to the exercise of the Portfolio Option; and
- (h) any other payments received which are not classified as Revenue Receipts.

"Capitalised Expenses" means for any Mortgage Loan at any date, expenses which have become overdue in respect of that Mortgage Loan and which as at that date have been added to the Capital Balance of that Mortgage Loan in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower.

Definition of Available Principal Receipts

"Available Principal Receipts" means for any Interest Payment Date (without double counting):

- (a) all Principal Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period;

- (b) the amounts (if any) to be credited to the Principal Deficiency Ledger pursuant to items (f), (h), (j), (l), (n) and (s) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date;
- (c) amounts representing the Option Purchase Price received by the Issuer upon sale of the Mortgage Portfolio further to the exercise of the Portfolio Option;
- (d) on and from the Portfolio Option Call Date, any Available Revenue Receipts which are available to it to be applied as Available Principal Receipts pursuant to item t of the Pre-Enforcement Revenue Priority of Payments;
- (e) on the earlier of the date (i) the Class A Notes are redeemed in full and (ii) the Current Balance of the Mortgage Loans is less than one per cent. of the Current Balance of the Mortgage Loans on the Closing Date, any amounts standing to the credit of the Senior Reserve Fund;

less the amount of Principal Receipts applied as Principal Deficiency Excess Revenue Amounts pursuant to paragraph (f) of the definition of Available Revenue Receipts (such amounts to constitute Available Revenue Receipts),

The Issuer shall pay or provide for amounts due under the Pre-Enforcement Revenue Priority of Payments before paying amounts due under the Pre-Enforcement Principal Priority of Payments.

Application of Available Principal Receipts prior to the service of an Enforcement Notice by the Trustee on the Issuer

Prior to the service of an Enforcement Notice on the Issuer by the Trustee, the Issuer is required pursuant to the terms of the Cash Management Agreement to apply Available Principal Receipts on each Interest Payment Date in the following order of priority (the "**Pre-Enforcement Principal Priority of Payments**"):

- (a) first, to be applied as Available Revenue Receipts to remedy any Remaining Senior Revenue Shortfall or Remaining Revenue Shortfall;
- (b) second, for so long as the Class A Notes remain outstanding and following any amount credited pursuant to item (e) of the Pre-Enforcement Revenue Priority of Payments) an amount to be credited to the Senior Reserve Fund up to the Senior Reserve Fund Required Amount;
- (c) third, to redeem the Class A Notes until (i) the Class A Notes have been redeemed in full, where there will be no Deferred Interest outstanding in the Class B Notes on or immediately following such Interest Payment Date or (ii) the Principal Amount Outstanding of each Class A Note equal to €1, where there will be Deferred Interest outstanding on the Class B Notes immediately following such Interest Payment Date;
- (d) fourth, to redeem the Class B Notes until the Class B Notes have been redeemed in full;
- (e) fifth, to redeem the Class C Notes until the Class C Notes have been redeemed in full;
- (f) sixth, to redeem the Class D Notes until the Class D Notes have been redeemed in full;
- (g) seventh, to redeem the Class E Notes until the Class E Notes have been redeemed in full; and
- (h) eighth, to redeem the Class Z Notes until the Class Z Notes have been redeemed in full.

APPLICATION OF REVENUE RECEIPTS, PRINCIPAL RECEIPTS AND OTHER MONIES OF THE ISSUER FOLLOWING THE SERVICE OF AN ENFORCEMENT NOTICE

Following the service of an Enforcement Notice by the Trustee on the Issuer, the Trustee (or the Cash Manager on its behalf or a Receiver) will apply all monies held in the Charged Accounts and all amounts received or recovered

following service of an Enforcement Notice (not including any amount standing to the credit of the IRC Collateral Account (other than IRC Collateral Account Surplus)) in the following order of priority (the "**Post-Enforcement Priority of Payments**" and, together with the Pre-Enforcement Revenue Priority of Payments and the Pre-Enforcement Principal Priority of Payments, the "**Priorities of Payments**" and each, a "**Priority of Payments**"):

- (a) first, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any fees, costs, charges, liabilities, expenses and all other amounts then due and payable to the Trustee or any Appointee, under the provisions of the Trust Deed and the other Transaction Documents, together with (if payable) VAT thereon as provided therein; and
 - (ii) any fees, costs, charges, liabilities, expenses and all other amounts then due and payable to any Receiver appointed by the Trustee or any Appointee under the provisions of the Deed of Charge and the other Transaction Documents, together with (if payable) VAT thereon as provided therein;

- (b) second, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any remuneration then due and payable to the Reference Agent, the Registrar and the Paying Agents and any costs, charges, liabilities and expenses then due and payable to them under the provisions of the Agency Agreement, together with (if payable) VAT thereon as provided therein;
 - (ii) any remuneration then due and payable to the Deposit Account Bank under the Deposit Account Bank Agreement and any costs, charges, liabilities and expenses then due and payable to it under the provisions of the Deposit Account Bank Agreement, together with (if payable) VAT thereon as provided therein;
 - (iii) any amounts then due and payable to the Cash Manager and any costs, charges, liabilities and expenses then due and payable to the Cash Manager under the provisions of the Cash Management Agreement, together with (if payable) VAT thereon as provided therein;
 - (iv) any amounts then due and payable to the Corporate Services Provider and any costs, charges, liabilities and expenses then due and payable to the Corporate Services Provider under the provisions of the Corporate Services Agreement, together with VAT thereon as provided therein;
 - (v) any remuneration due and payable to the Replacement Administrator Facilitator under the Administration Agreement and any costs, charges, liabilities and expenses then due and payable to the Replacement Administrator Facilitator or any such amount to become due and payable in the immediately succeeding Interest Period to it under the provisions of the Administration Agreement, together with (if payable) VAT thereon as provided therein;
 - (vi) any amounts due and payable by the Issuer to third parties and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere), including, but not limited to, audit fees, legal fees, tax compliance fees and anticipated winding-up costs of the Issuer;
 - (vii) any amounts required by the Issuer to pay or discharge any liability of the Issuer to corporation tax (which cannot be made out of the Issuer Profit Amount retained previously by the Issuer or profit paid to the Issuer under item (m) below);

- (c) third, in or towards satisfaction pro rata and pari passu according to the respective amounts thereof of any amounts due and payable to the Administrator and any costs, charges, liabilities and expenses then due and payable to the Administrator or any such amount to become due and payable to the Administrator in the immediately succeeding Interest Period under the provisions of the Administration Agreement, together with (if payable) VAT thereon as provided therein;
- (d) fourth, to pay interest due and payable on the Class A Notes (including any Deferred Interest and Additional Interest thereon);
- (e) fifth, to pay principal due and payable on the Class A Notes in full;
- (f) sixth, to pay interest due and payable on the Class B Notes (including any Deferred Interest and Additional Interest thereon);
- (g) seventh, to pay principal due and payable on the Class B Notes;
- (h) eighth, to pay interest due and payable on the Class C Notes (including any Deferred Interest and Additional Interest thereon but excluding any Additional Note Payments);
- (i) ninth, to pay principal due and payable on the Class C Notes;
- (j) tenth, to pay interest due and payable on the Class D Notes (including any Deferred Interest and Additional Interest thereon but excluding any Additional Note Payments);
- (k) eleventh, to pay principal due and payable on the Class D Notes;
- (l) twelfth, to pay interest due and payable on the Class E Notes (including any Deferred Interest and Additional Interest thereon but excluding any Additional Note Payments);
- (m) thirteenth, to pay principal due and payable on the Class E Notes;
- (n) fourteenth, on and from the Interest Payment Date immediately following the Step-Up Date, amounts due as a Class C Additional Note Payment;
- (o) fifteenth, on and from the Interest Payment Date immediately following the Step-Up Date, amounts due as a Class D Additional Note Payment;
- (p) sixteenth, on and from the Interest Payment Date immediately following the Step-Up Date, amounts due as a Class E Additional Note Payment;
- (q) seventeenth, to pay the Class Z Note Interest Amount due and payable on the Class Z Notes;
- (r) eighteenth, to pay principal due and payable on the Class Z Notes; and
- (s) nineteenth, to pay the Issuer Profit Amount.

IRC Collateral

In the event that the Interest Rate Cap Provider is required to transfer collateral to the Issuer in respect of its obligations under the Interest Rate Cap Agreement in accordance with the terms of the Credit Support Annex of the Interest Rate Cap Agreement (the "**IRC Credit Support Annex**"), including collateral posted following an IRC Provider Downgrade Event or as a result of complying with any swap clearing organisation rules regulatory requirement or other such regulation, rule or requirement, that collateral (and any interest and/or distributions earned thereon) (together, "**IRC Collateral**") will be credited to a separate cap collateral account (the "**IRC Collateral Account**") and credited to the ledger maintained by the Cash Manager to record the balance from time to time of IRC Collateral (the "**IRC Collateral Ledger**"). In addition, (i) upon any early termination in whole of the

Interest Rate Cap Agreement as a result of the default or termination by the Interest Rate Cap Provider or otherwise, any termination payment received by the Issuer from the outgoing Interest Rate Cap Provider or (ii) any IRC Tax Credits, in each case, will be credited to the IRC Collateral Account and recorded on the IRC Collateral Ledger.

Amounts and securities standing to the credit of the IRC Collateral Account (including interest, distributions and redemption or sale proceeds thereon or thereof) and recorded on the IRC Collateral Ledger will not be available for the Issuer or the Trustee to make payments to the Secured Creditors generally, but may be applied by the Cash Manager (on behalf of the Issuer) only in accordance with the following provisions (the "**IRC Collateral Account Priority of Payments**"):

- (a) to pay an amount equal to any IRC Tax Credits received by the Issuer to the relevant Interest Rate Cap Provider as soon as reasonably practicable after receipt by the Issuer;
- (b) prior to the designation of an Early Termination Date (as defined in the Interest Rate Cap Agreement), in respect of the Interest Rate Cap Agreement, solely in or towards payment or discharge of any Return Amounts, Interest Amounts and Distributions (each as defined in the IRC Credit Support Annex), on any day, directly to the Interest Rate Cap Provider;
- (c) following the designation of an Early Termination Date in respect of the Interest Rate Cap Agreement where (A) such Early Termination Date has been designated following an IRC Provider Default or IRC Provider Downgrade Event and (B) the Issuer enters into a Replacement IRC Agreement in respect of the Interest Rate Cap Agreement by no later than 30 Business Days after the Early Termination Date of the Interest Rate Cap Agreement, on the later of the day on which (x) such Replacement IRC Agreement is entered into, (y) a termination payment (if any) payable to the Issuer has been received and (z) the day on which a Replacement IRC Amount (if any) payable to the Issuer has been received, in the following order of priority:
 - (i) *first*, in or towards payment of a Replacement IRC Amount (if any) payable by the Issuer to a replacement interest rate cap provider in order to enter into a Replacement IRC Agreement with the Issuer with respect to the Interest Rate Cap Agreement being terminated;
 - (ii) *second*, in or towards payment of any termination payment due to the outgoing Interest Rate Cap Provider; and
 - (iii) *third*, the surplus (if any) on such day to be transferred to the Deposit Account to be applied as Available Revenue Receipts;
- (d) following the designation of an Early Termination Date in respect of the Interest Rate Cap Agreement where: (A) such Early Termination Date has been designated otherwise than as a result of one of the events specified at item (c) above, and (B) the Issuer enters into a Replacement IRC Agreement in respect of the Interest Rate Cap Agreement by no later than 30 Business Days after the Early Termination Date of the Interest Rate Cap Agreement, on the later of the day on which (x) such Replacement IRC Agreement is entered into, (y) a termination payment (if any) payable to the Issuer has been received and (z) a Replacement IRC Amount (if any) payable to the Issuer has been received, in the following order of priority:
 - (i) *first*, in or towards payment of any termination payment due to the outgoing Interest Rate Cap Provider;
 - (ii) *second*, in or towards payment of a Replacement IRC Amount (if any) payable by the Issuer to a replacement interest rate cap provider in order to enter into a Replacement

IRC Agreement with the Issuer with respect to the Interest Rate Cap Agreement being terminated; and

- (iii) *third*, any surplus on such day to be transferred to the Deposit Account to be applied as Available Revenue Receipts;
- (e) following the designation of an Early Termination Date in respect of the Interest Rate Cap Agreement for any reason where the Issuer does not enter into a Replacement IRC Agreement in respect of the Interest Rate Cap Agreement by no later than 30 Business Days after the Early Termination Date of the Interest Rate Cap Agreement and, on the Business Day following the expiry of such 30 Business Day period, in or towards payment of any termination payment due to the outgoing Interest Rate Cap Provider; and
- (f) following payments of amounts due pursuant to (e) above, if amounts remain standing to the credit of a IRC Collateral Account, such amounts may be applied only in accordance with the following provisions:
 - (i) *first*, in or towards payment of a Replacement IRC Amount (if any) payable by the Issuer to a replacement interest rate cap provider in order to enter into a Replacement IRC Agreement with the Issuer with respect to the Interest Rate Cap Agreement; and
 - (ii) *second*, any surplus remaining after payment of such Replacement IRC Amount to be transferred to the Deposit Account to be applied as Available Revenue Receipts,

provided that for so long as the Issuer does not enter into a Replacement IRC Agreement with respect to the Interest Rate Cap Agreement, on each payment date under the Interest Rate Cap Agreement, the Issuer (or the Cash Manager on its behalf) will be permitted to withdraw an amount from the IRC Collateral Account (which shall be debited to the IRC Collateral Ledger), equal to any amount due from the Interest Rate Cap Provider pursuant to the terms of the Interest Rate Cap Agreement on such payment date but for the designation of an Early Termination Date under the Interest Rate Cap Agreement, such surplus to be transferred to the Deposit Account to be applied as Available Revenue Receipts; and

provided further that for so long as the Issuer does not enter into a Replacement IRC Agreement with respect to the Interest Rate Cap Agreement on or prior to the earlier of:

- (A) the Interest Determination Date immediately before the Interest Payment Date on which the Principal Amount Outstanding of all Rated Notes would be reduced to zero (taking into account any IRC Collateral Account Surplus to be applied as Available Revenue Receipts on such Interest Payment Date); or
- (B) the day on which an Enforcement Notice is given pursuant to Condition 13 (*Events of Default*);

then the amount standing to the credit of such IRC Collateral Account on such day shall be transferred to the Deposit Account to be applied as Available Revenue Receipts as soon as reasonably practicable thereafter.

The IRC Euro Cash Collateral Account will be opened in the name of the Issuer with the Deposit Account Bank. Any additional IRC Collateral Account that may be required to be opened from time to time shall be opened in the name of the Issuer in accordance with the Interest Rate Cap Agreement, the Deposit Account Bank Agreement or any other account bank agreement and/or custody agreement which shall include certain conditions as stipulated under the Interest Rate Cap Agreement, as applicable. Any IRC Collateral Account and an IRC Collateral Ledger will be established and maintained in respect of the Interest Rate Cap Agreement. As security for the payment of all monies payable in respect of the Notes and the other Secured Obligations, the Issuer will grant a first fixed charge over the Issuer's interest in the IRC Collateral Account and the debts represented thereby (which may,

however, take effect as a floating charge and therefore rank behind the claims of any preferential creditors of the Issuer).

"IRC Collateral Account" means the IRC Euro Cash Collateral Account and any other separate interest rate cap collateral account opened by the Issuer.

"IRC Collateral Account Surplus" means the amounts applied as Available Revenue Receipts pursuant to the IRC Collateral Account Priority of Payments.

"IRC Euro Cash Collateral Account" means a euro cash collateral account in the name of the Issuer held with the Deposit Account Bank pursuant to the Deposit Account Bank Agreement.

"IRC Provider Default" means the occurrence of an Event of Default (as defined in the Interest Rate Cap Agreement) where the Interest Rate Cap Provider is the Defaulting Party (as defined in the Interest Rate Cap Agreement).

"IRC Provider Downgrade Event" means the occurrence of an Additional Termination Event (as defined in the Interest Rate Cap Agreement) following the failure by the Interest Rate Cap Provider to comply with the Cap Required Ratings.

"IRC Tax Credits" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Interest Rate Cap Provider to the Issuer under the terms of the Interest Rate Cap Agreement.

"Replacement IRC Agreement" means an agreement between the Issuer and a replacement interest rate cap provider to replace the Interest Rate Cap Agreement.

"Replacement IRC Amount" means an amount (if any) received by the Issuer from a replacement interest rate cap provider, or an amount paid by the Issuer to a replacement interest rate cap provider, upon entry by the Issuer into a Replacement IRC Agreement.

DESCRIPTION OF THE NOTES IN GLOBAL FORM

General

The Notes of each class will be offered and sold outside the United States to persons that are not U.S. persons in reliance on Regulation S under the Securities Act and will be represented on issue by one or more Global Notes of such class in fully registered form without interest coupons or principal receipts attached (each a "**Global Note**"). Beneficial interests in a Global Note may only be held through Euroclear or Clearstream, Luxembourg or their participants at any time.

All capitalised terms not defined in this paragraph shall be as defined in the Conditions of the Notes.

The Global Notes will be deposited on or about the Closing Date with a common safekeeper for both Euroclear and Clearstream, Luxembourg (the "**Common Safekeeper**").

The Global Notes will be registered in the name of a nominee for the Common Safekeeper. The Issuer will procure the Registrar to maintain a register in which it will register the nominee for the Common Safekeeper as the owner of the Global Notes.

Upon confirmation by the Common Safekeeper that it has custody of the Global Notes, Euroclear or Clearstream, Luxembourg, as the case may be, will record book-entry interests representing beneficial interests (the "**Book-Entry Interests**") in the Global Notes attributable thereto.

Book-Entry Interests in respect of Global Notes will be recorded in denominations of €100,000 and, for so long as or Clearstream, Luxembourg so permit integral multiples of €1,000 in excess thereof (a "**Minimum Denomination**"). Ownership of Book-Entry Interests is limited to persons that have accounts with Euroclear or Clearstream, Luxembourg ("**Participants**") or persons that hold interests in the Book-Entry Interests through Participants ("**Indirect Participants**"), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants shall also include persons that hold beneficial interests through such Indirect Participants. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants' accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Co-Arrangers. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants (with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as a nominee of the Common Safekeeper is the registered holder of the Global Notes underlying the Book-Entry Interests, the nominee of the Common Safekeeper will be considered the sole Noteholder of the Global Note for all purposes under the Trust Deed. Except as set forth under "*Issuance of Definitive Certificates*", below, Participants or Indirect Participants will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive registered form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Notes under the Trust Deed. See "*Action in Respect of the Global Note and the Book-Entry Interests*", below.

Unlike legal owners or holders of the Notes, holders of the Book-Entry Interests will not have the right under the Trust Deed to act upon solicitations by the Issuer or 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, their 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 under the Global Notes, holders of Book-Entry Interests will be restricted to acting through Euroclear or Clearstream, Luxembourg unless and until Definitive Certificates are issued in accordance with the Conditions. 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 Trust Deed.

Unless and until Book-Entry Interests in the Global Notes are exchanged for Definitive Certificates, the Global Notes registered in the name of the Common Safekeeper may not be transferred except as a whole by the Common Safekeeper to a successor of the Common Safekeeper.

Purchasers of Book-Entry Interests in a Global Note pursuant to Regulation S under the Securities Act will hold Book-Entry Interests in the Global Notes relating thereto. Investors may hold their Book-Entry Interests in respect of a Global Note directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set forth under "*Transfers and Transfer Restrictions*", below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in each Global Note, as the case may be, on behalf of their account holders through securities accounts in the respective account holders' names on Euroclear's and Clearstream, Luxembourg's respective book-entry registration and transfer systems.

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 Eurobonds.

Payments on the Global Notes

Payment of principal and interest on, and any other amount due in respect of, the Global Notes will be made in Euros by or to the order of The Bank of New York Mellon, London Branch as the Principal Paying Agent on behalf of the Common Safekeeper or its nominee as the registered holder thereof. Each holder of Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the Common Safekeeper or its nominees in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for or on account of any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Paying Agents nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the order of the Common Safekeeper, the respective systems will promptly credit their Participants' accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. On each record date, Euroclear and Clearstream, Luxembourg will determine the identity of the Noteholders for the purposes of making payments to the Noteholders. The record date, in respect of the Notes shall be one Clearing System Business Day prior to the relevant Interest Payment Date where "**Clearing System Business Day**" means a day on which each clearing system for which the Notes are being held is open for business. The Issuer expects that payments by 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 Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Joint Lead Managers or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant's ownership of Book-Entry

Interests or for maintaining, supervising or reviewing any records relating to a Participant's ownership of Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer or the Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed or the Deed of Charge, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that any Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the nominee of the Common Safekeeper and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Principal Paying Agent for cancellation. Appropriate entries will be made in the Register. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Principal Paying Agent in connection with the redemption of the Global Note (or portion thereof) relating thereto. For any redemptions of the Global Note in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a *pro rata* basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be reissued or resold.

Transfers and Transfer Restrictions

All transfer of Book-Entry Interests will be recorded with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to the customary procedures established by each respective system and its Participants.

Beneficial interests in the Global Notes may be held only through Euroclear and Clearstream, Luxembourg. Neither the Global Notes nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set forth in the legend appearing in the Global Notes.

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 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 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 and 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 individual notes representing their ownership interests in such notes unless use of the book-entry system for the notes described in this section is discontinued.

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. 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.

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants. See "*General*", above.

Issuance of Definitive Certificates

Holders of Book-Entry Interests in the Global Note will be entitled to receive certificates evidencing definitive notes in registered form ("**Definitive Certificates**") in exchange for their respective holdings of Book-Entry Interests if (a) both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and do so cease to do business and no alternative clearing system satisfactory to the Trustee is available or (b) as a result of any amendment to, or change in, the laws or regulations of Ireland (or of any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation or administration by a revenue authority or a court or in the administration of such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any deduction or withholding from any payment in respect of the Notes which would not be required were the Notes in definitive form.

Any Definitive Certificates issued in exchange for Book-Entry Interests in a Global Note will be registered by the Registrar in such name or names as the Issuer shall instruct the Principal Paying Agent based on the instructions of Euroclear or Clearstream, Luxembourg. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, Luxembourg from their Participants with respect to ownership of the relevant Book Entry Interests. Holders of Definitive Certificates issued in exchange for Book-Entry Interests in a Global Note, as the case may be, will not be entitled to exchange such Definitive Certificate, for Book-Entry Interests in a Global Note. Any Notes issued in definitive form will be issued in registered form only and will be subject to the provisions set forth under "*Transfers and Transfer Restrictions*" above provided that no transfer shall

be registered for a period of 15 days immediately preceding any due date for payment in respect of the Note or, as the case may be, the due date for redemption. Definitive Certificates will not be issued in a denomination that is not an integral multiple of the Minimum Denomination or for any amount in excess thereof, in integral multiples of €1,000. As the Notes have a denomination consisting of the Minimum Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the Minimum Denomination may not receive a Definitive Certificate in respect of such holding (should Definitive Certificates be issued) and would need to purchase a principal amount of Notes such that its holding amounts to the Minimum Denomination.

Action in Respect of the Global Note and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer or the Paying Agent on behalf of the Issuer of any notices in respect of the Global Notes or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Global Notes, the Issuer will deliver, or procure the delivery on its behalf, to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Global Notes and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear and Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Global Notes in accordance with any instructions set forth in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under "*General*" above, with respect to soliciting instructions from their respective Participants. The Registrar will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Book-Entry Interests or the Global Notes.

Reports

The Issuer will send, or procure to be sent on its behalf, to Euroclear and Clearstream, Luxembourg a copy of any notices, reports and other communications received relating to the Issuer, the Global Note or the Book-Entry Interests. Any notice shall be deemed to have been duly given to the relevant Noteholders if sent to each of Euroclear and Clearstream, Luxembourg (the "**Clearing Systems**") for communication by them to the holders of the relevant Notes and shall be deemed to be given on the date on which it was so sent and (so long as the relevant Notes are admitted to trading and listed on the Official List) Notices shall also be published by the Issuer in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcements Office of Euronext Dublin. See also Condition 22 (*Notices*) of the Notes.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of the Notes in the form in which they will be set out in the Trust Deed. If the Notes were to be represented by Definitive Certificates, the Conditions set out on the reverse of each of such Definitive Certificates would be as follows. While the Notes are represented by Global Notes, they will be governed by the same terms and conditions except to the extent that such terms and conditions are appropriate only to securities in definitive form or are expressly varied by the terms of such Global Notes. These terms and conditions are subject to the detailed provisions of the Trust Documents and the other Transaction Documents (as defined below).

1 General

- 1.1 The €237,700,000 Class A Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class A Notes**"), the €35,800,000 Class B Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class B Notes**"), the €28,400,000 Class C Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class C Notes**"), the €18,900,000 Class D Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class D Notes**"), the €15,000,000 Class E Residential Mortgage Backed Floating Rate Notes due 24 April 2071 (the "**Class E Notes**") and the €41,500,000 Class Z Residential Mortgage Backed notes due 24 April 2071 (the "**Class Z Notes**" and, together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "**Notes**") will be issued by Mulcair Securities DAC (registered number 636799) (the "**Issuer**") on or about the Closing Date.
- 1.2 The Issuer has agreed to issue the Notes subject to and with the benefit of the terms of the Trust Deed and the Agency Agreement. The security for the Notes is created pursuant to, and on the terms set out in, the Deed of Charge.
- 1.3 The Agency Agreement records certain arrangements in relation to the payment of interest and principal in respect of the Notes.
- 1.4 Certain provisions of these Conditions are summaries of the Trust Documents and the Incorporated Terms Memorandum and the Agency Agreement and are subject to their detailed provisions.
- 1.5 The Noteholders are bound by the terms of the Trust Documents and the Incorporated Terms Memorandum, and are deemed to have notice of all the provisions of the Transaction Documents.

Copies of the Transaction Documents, the Incorporated Terms Memorandum and the Constitution of the Issuer are available for inspection by Noteholders during normal business hours at the principal office for the time being of the Trustee, being at the date hereof, One Canada Square, Canary Wharf, London E14 5AL, and at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below:

Trustee	Paying Agents
BNY Mellon Corporate Trustee Services Limited	The Bank of New York Mellon, London Branch
One Canada Square	One Canada Square
Canary Wharf	Canary Wharf
London E14 5AL	London E14 5AL

2 DEFINITIONS

2.1 In these Conditions the following defined terms have the meanings set out below:

"Accrued Interest" means as at any date (the **determination date**) on or after the Cut-Off Date and in relation to any Mortgage Loan, interest on such Mortgage Loan (not being interest which is currently payable on the determination date) which has accrued (but is not yet due and payable) from and including the Monthly Payment Date immediately prior to the determination date to and including the determination date;

"Additional Note Payments" means the Class C Additional Note Payment, the Class D Additional Note Payment and the Class E Additional Note Payment and each an Additional Note Payment as the context so requires;

"Administration Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Administrator, the Replacement Administrator Facilitator, the Seller and the Trustee, and/or any successor or replacement administration agreement entered into by the Issuer from time to time;

"Administrator" means Bank of Ireland or such other person as may from time to time be appointed as administrator of the relevant Mortgage Loans in the Mortgage Portfolio pursuant to the Administration Agreement;

"Administrator Report" means a report to be provided by the Administrator to the Cash Manager in respect of each Calculation Period in accordance with the terms of the Transaction Documents;

"Agency Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Agents and the Trustee;

"Agents" means the Reference Agent, the Principal Paying Agent, any other Paying Agent and the Registrar (or any successors duly appointed) and **Agent** means any one of them;

"Ancillary Rights" means in relation to a Right, all ancillary rights, accretions and supplements to such Right, including any guarantees or indemnities in respect of such Right;

"Appointee" means any delegate, agent, nominee, custodian, attorney or manager appointed by the Trustee pursuant to the provisions of the Trust Documents and other Transaction Documents;

"Arrears of Interest" means as at any date (the **"determination date"**) on or after the Cut-Off Date and in relation to any Mortgage Loan, interest (which has not been capitalised) on such Mortgage Loan which is currently due, payable and unpaid;

"Authorised Investments" means (excluding any investments into any asset-backed securities, credit linked notes, swaps, other derivative instruments or synthetic securities) money market funds that hold AAA money market fund ratings from S&P, and in addition ratings of R-1 by DBRS if such money market funds are assigned a rating by DBRS, Euro demand or time deposits, certificates of deposit and short term unsecured debt obligations (including commercial paper) which may include deposits into any account which earns a rate of interest related to EURIBOR and which mature within 365 days or less with a rating of at least by AA- or A-1+ S&P and R-1(high) by DBRS or which are otherwise acceptable to the Rating Agencies (if they are notified in advance) to maintain the then current rating of the Notes, provided that such investments mature prior to the Interest Payment Date on which the cash represented by such investments is required by the Issuer;

"Available Principal Receipts" means for any Interest Payment Date (without double counting):

- (a) all Principal Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period;
- (b) the amounts (if any) to be credited to the Principal Deficiency Ledger pursuant to items (f), (h), (j), (l), (n) and (s) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date;
- (c) amounts representing the Option Purchase Price received by the Issuer upon sale of the Mortgage Portfolio further to the exercise of the Portfolio Option;
- (d) on and from the Portfolio Option Call Date, any Available Revenue Receipts which are available to it to be applied as Available Principal Receipts pursuant to item t of the Pre-Enforcement Revenue Priority of Payments;
- (e) on the earlier of the date (i) the Class A Notes are redeemed in full and (ii) the Current Balance of the Mortgage Loans is less than one per cent. of the aggregate Current Balance of the Mortgage Loans on the Closing Date, any amounts standing to the credit of the Senior Reserve Fund

less the amount of Principal Receipts applied as Principal Deficiency Excess Revenue Amounts pursuant to paragraph (f) of the definition of Available Revenue Receipts (such amounts to constitute Available Revenue Receipts).

"Available Revenue Receipts" means, for each Interest Payment Date, an amount equal to the aggregate of (without double-counting):

- (a) the Revenue Receipts on the Mortgage Loans received by the Issuer during the immediately preceding Calculation Period which have been designated as Available Revenue Receipts by the Cash Manager in accordance with the Cash Management Agreement;
- (b) interest payable to the Issuer on the Deposit Account and income from any Authorised Investments in each case received during the immediately preceding Calculation Period;
- (c) any amounts withdrawn from the Senior Reserve Fund to remedy a Senior Revenue Shortfall;
- (d) any amounts withdrawn from the General Reserve Fund to remedy a Revenue Shortfall;
- (e) any Principal Receipts applied to remedy a Remaining Senior Revenue Shortfall or Remaining Revenue Shortfall;
- (f) any Principal Receipts applied as Principal Deficiency Excess Revenue Amounts;
- (g) on the Final Rated Note Distribution Date, the General Reserve Fund Residual Amount;
- (h) amounts received by the Issuer under or in connection with the Interest Rate Cap Agreement, other than amounts that must be otherwise applied under the IRC Collateral Account Priority of Payments;
- (i) any Senior Reserve Fund Excess Amounts;
- (j) other net income of the Issuer received during the immediately preceding Calculation Period (other than any Principal Receipts).

"Bank of Ireland" means The Governor and Company of the Bank of Ireland;

"Benefit" in respect of any asset, agreement, property or right (each a **"Right"** for the purpose of this definition) held, assigned, conveyed, transferred, charged, sold or disposed of by any person shall be construed so as to include:

- (a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Right and all Ancillary Rights in respect of such Right;
- (b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to such Right or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time on such money and the debts represented by such bank account;
- (c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such Right or its Ancillary Rights;
- (d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such Right or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such Right or its Ancillary Rights; and
- (e) all items expressed to be held on trust for such person under or comprised in any such Right or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such Right and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such Right and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach;

"Block Buildings Policy" means the block buildings insurance master policy to the extent it relates to the Mortgage Loans;

"BOI Collection Account" means an account in the name of the Seller held with the Collection Account Bank subject to the Bank of Ireland Collection Account Declaration of Trust;

"BOI Collection Account Declaration of Trust" means the deed entered into on or about the Closing Date between (inter alios) the Issuer, the Seller and the Collection Account Bank whereby the Seller declared a trust over its interest in all amounts attributable to the Mortgage Loans credited to the BOI Collection Account in favour of the Issuer and itself;

"BOIMB Collection Account" means an account in the name of BOIMB held with the Collection Account Bank subject to the BOIMB Collection Account Declaration of Trust;

"BOIMB Collection Account Declaration of Trust" means the deed entered into on or about the Closing Date between (inter alios) the Issuer, BOIMB and the Collection Account Bank whereby BOIMB declared a trust over its interest in all amounts attributable to the Mortgage Loans credited to the BOIMB Collection Account in favour of the Issuer and itself;

"BOIMB Security Power of Attorney" means the power of attorney granted by BOIMB in favour of the Issuer and the Trustee on the Closing Date in substantially the same form as that set out in **Error! Reference source not found.** (*BOIMB Security Power of Attorney*) to the Mortgage Sale Agreement;

"Borrower" means, in relation to a Mortgage Loan, the individual or individuals specified as such in the relevant Mortgage Conditions together with the individual or individuals (if any) from time to time assuming an obligation to repay such Mortgage Loan or part of it;

"Breach of Duty" means in relation to any person, a wilful default, fraud, or negligence by such person;

"Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in London and Dublin and which is a TARGET2 Settlement Day;

"Calculation Date" means the last day in the calendar month immediately preceding an Interest Payment Date;

"Calculation Period" means each period from (but excluding) a Calculation Date (or in respect of the first Calculation Period, from and including the Closing Date) to (and including) the next (or first) Calculation Date and, in relation to an Interest Payment Date, the **"related Calculation Period"** means, unless the context otherwise requires, the Calculation Period ending immediately before such Interest Payment Date;

"Capital Balance" means in respect of a Mortgage Loan at any date the principal balance of that Mortgage Loan;

"Capitalised Arrears" means, in relation to a Mortgage Loan, on any date, amounts which have become overdue in respect of that Mortgage Loan and which as at that date have been added to the Capital Balance of such Mortgage Loan in accordance with the Mortgage Conditions or with the Borrower's consent or in accordance with the Seller's normal charging practices and any applicable regulatory obligations;

"Capitalised Expenses" means for any Mortgage Loan at any date, expenses which have become overdue in respect of that Mortgage Loan and which as at that date have been added to the Capital Balance of that Mortgage Loan in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower;

"Cash Management Agreement" means the cash management agreement so named entered into on or about the Closing Date between the Cash Manager, the Issuer and the Trustee and/or any successor or replacement cash management agreement entered into by the Issuer from time to time;

"Cash Manager" means The Bank of New York Mellon, London Branch in its capacity as cash manager pursuant to the Cash Management Agreement (or any successor duly appointed);

"Certificate of Title" means a solicitor's report or certificate of title obtained by or on behalf of the Seller in respect of each Property substantially in the form of the pro-forma set out in the Standard Documentation;

"Charged Accounts" means the Issuer Accounts and any bank or other account in which the Issuer may at any time acquire a Benefit and over which the Issuer has created an Encumbrance in favour of the Trustee pursuant to the Deed of Charge (other than the Issuer Profit Account);

"Charged Property" means all the property of the Issuer which is subject to the Security;

"Class A Global Note" means the global note representing the Class A Notes;

"Class A Noteholders" means the persons who for the time being are the registered holders of the Class A Notes;

"Class A Notes" means the €237,700,000 Class A Residential Mortgage Backed Floating Rate Notes due 24 April 2071 issued or due to be issued by the Issuer on the Closing Date, or, as the case may be, a specific number thereof, whether represented by Notes in definitive or global form;

"Class A Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes;

"Class B Global Note" means the global note representing the Class B Notes;

"Class B Noteholders" means the persons who for the time being are the registered holders of the Class B Notes;

"Class B Notes" means the €35,800,000 Class B Residential Mortgage Backed Floating Rate Notes due 24 April 2071 issued or due to be issued by the Issuer on the Closing Date, or, as the case may be, a specific number thereof, whether represented by Notes in definitive or global form;

"Class B Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes;

"Class C Additional Note Payment" means, in relation to the Class C Notes, in respect of any Interest Payment Date the aggregate of:

- (a) the Class C Current Additional Note Payment;
- (b) the Class C Unpaid Additional Note Payments (if any); and
- (c) the Class C Unpaid Additional Note Payment Interest Amount (if any);

"Class C Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling after the Step-Up Date, an amount calculated in accordance with Condition 8.6 (*Determination of Additional Note Payments*) in respect of the Class C Notes;

"Class C Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class C Current Additional Note Payment and any Class C Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount*);

"Class C Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class C Unpaid Additional Note Payment and calculated in accordance with Condition 8.6 (*Determination of Additional Note Payments*);

"Class C Global Note" means the global note representing the Class C Notes;

"Class C Noteholders" means the persons who for the time being are the registered holders of the Class C Notes;

"Class C Notes" means the €28,400,000 Class C Residential Mortgage Backed Floating Rate Notes due April 2071 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Notes in definitive or global form;

"Class C Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class C Notes;

"Class D Global Note" means the global note representing the Class D Notes;

"Class D Additional Note Payment" means, in relation to the Class D Notes, in respect of any Interest Payment Date the aggregate of:

(a) the Class D Current Additional Note Payment;

(b) the Class D Unpaid Additional Note Payments (if any); and

(c) the Class D Unpaid Additional Note Payment Interest Amount (if any);

"Class D Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling after the Step-Up Date, an amount calculated in accordance with Condition 8.6 (*Determination of Additional Note Payments*) in respect of the Class D Notes;

"Class D Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class D Current Additional Note Payment and any Class D Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount*);

"Class D Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class D Unpaid Additional Note Payment and calculated in accordance with Condition 8.6 (*Determination of Additional Note Payments*);

"Class D Noteholders" means the persons who for the time being are the registered holders of the Class D Notes;

"Class D Notes" means the €18,900,000 Class D Residential Mortgage Backed Floating Rate Notes due April 2071 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Notes in definitive or global form;

"Class D Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class D Notes;

"Class E Additional Note Payment" means, in relation to the Class E Notes, in respect of any Interest Payment Date the aggregate of:

(a) the Class E Current Additional Note Payment;

(b) the Class E Unpaid Additional Note Payments (if any); and

(c) the Class E Unpaid Additional Note Payment Interest Amount (if any);

"Class E Current Additional Note Payment" means (i) in respect of any Interest Payment Date falling on or prior to the Step-Up Date, zero and (ii) in respect of any Interest Payment Date falling after the Step-Up Date, an amount calculated in accordance with Condition 8.6 (*Determination of Additional Note Payments*) in respect of the Class E Notes;

"Class E Unpaid Additional Note Payments" means, in relation to an Interest Payment Date, any Class E Current Additional Note Payment and any Class E Unpaid Additional Note Payment Interest Amount which has not yet been paid in full on any previous Interest Payment Date and in respect of which the Issuer has deferred payment in accordance with the provisions of Condition 8.12 (*Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount*);

"Class E Unpaid Additional Note Payment Interest Amount" means an amount of interest that shall accrue in respect of the Class E Unpaid Additional Note Payment and calculated in accordance with Condition 8.6 (*Determination of Additional Note Payments*);

"Class E Global Note" means the global note representing the Class E Notes;

"Class E Noteholders" means the persons who for the time being are the registered holders of the Class E Notes;

"Class E Notes" means the €15,000,000 Class E Residential Mortgage Backed Floating Rate Notes due April 2071 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Notes in definitive or global form;

"Class E Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class E Notes;

"Class Z Note Interest Amount" means, on any Interest Determination Date:

- (a) prior to the delivery of an Enforcement Notice, in respect of each Interest Payment Date from (and including) the Closing Date, the amount by which Available Revenue Receipts exceed the amounts required to satisfy items (a) to (t) of the Pre-Enforcement Revenue Priority of Payments on that Interest Payment Date; and
- (b) following the delivery of an Enforcement Notice, for any date on which amounts are to be applied in accordance with the Post-Enforcement Priority of Payments, the amount by which amounts available for payment in accordance with the Post-Enforcement Priority of Payments exceeds the amounts required to satisfy items (a) to (p) of the Post-Enforcement Priority of Payments on that date.

"Class Z Global Note" means the global note representing the Class Z Notes;

"Class Z Noteholders" means the persons who for the time being are the registered holders of the Class Z Notes;

"Class Z Notes" means the €41,500,000 Class Z Residential Mortgage Backed Notes due April 2071 issued or due to be issued by the Issuer on the Closing Date, or, as the case may be, a specific number thereof, whether represented by Notes in definitive or global form;

"Class Z Principal Deficiency Sub-Ledger" means the sub-ledger of the Principal Deficiency Ledger relating to the Class Z Notes;

"Clearing Systems" means Clearstream, Luxembourg and Euroclear;

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme, with offices at 42 Avenue J.F. Kennedy L-1855 Luxembourg;

"Closing Date" means 18 April 2019 or such other date as the Issuer, the Co-Arrangers and Joint Lead Managers and the Seller may agree;

"Collection Accounts" means the BOI Collection Account and the BOIMB Collection Account;

"Collection Account Bank" means Bank of Ireland acting in such capacity (or any successor duly appointed);

"Collection Account Declarations of Trust" means the BOI Collection Account Declaration of Trust and the BOIMB Collection Account Declaration of Trust;

"Conditions" means, in relation to the Notes, the terms and conditions to be endorsed on the Notes in, or substantially in, the form set out in Schedule 4 (*Terms and Conditions of the Notes*) of the Trust Deed as any of the same may from time to time be modified in accordance with the Trust Deed and any reference to a particular numbered Condition shall be construed accordingly;

"Consideration" means the amount payable by the Issuer to the Seller on the Closing Date as consideration for the purchase of the Mortgage Portfolio, being an amount equal to the proceeds of the Notes less the aggregate of the amounts required: to meet the costs and expenses incurred by the Issuer in respect of the issuance of the Notes on the Closing Date; to fund the Senior Reserve Fund up to the Initial Senior Reserve Fund Required Amount and the General Reserve Fund up to the Initial General Reserve Fund Required Amount; and to pay the Interest Rate Cap Fees to the Interest Rate Cap Provider;

"Corporate Services Agreement" means the agreement so named dated on or about the Closing Date between the Corporate Services Provider and the Issuer;

"Corporate Services Provider" means CSC Capital Markets (Ireland) Limited (or any successor duly appointed);

"CRS" means the common reporting standard comprised in the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development and any treaty, law or regulation of any other jurisdiction which facilitates the implementation of that Standard including Council Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation (**DAC II**);

"Current Balance" means for each Mortgage Loan, on any date, the aggregate balance on the Borrower's account in respect of a Mortgage Loan at such date being (but avoiding double counting):

- (a) the original principal amount advanced to the Borrower; and
- (b) any advance of further moneys to the Borrower thereof prior to the Closing Date on the security of or securable on the relevant Property and any amount added to the principal balance of the relevant Mortgage Loan prior to the Closing Date on the terms of the relevant mortgage deed after the date of completion of such Mortgage Loan which remains outstanding as at such date; and
- (c) all Accrued Interest not yet due and Arrears of Interest which in each case has not been added to the principal amount; and
- (d) all accrued fees and expenses including, without limitation, insurance premiums,

as at the end of the Business Day immediately preceding that given date, minus any repayment or payment (including, if permitted, by way of set-off, withholding or counterclaim) of any of the foregoing made on or before the end of the Business Day immediately preceding that given date and excluding any retentions made but not released;

"Cut-off Date" means 31 January 2019 in relation to the Provisional Mortgage Portfolio;

"Day Count Fraction" means, in respect of an Interest Period, the actual number of days in such period divided by 360;

"Deed of Charge" means the deed so named entered into on or about the Closing Date between, amongst others, the Issuer and the Trustee and any other deed of charge entered into by the Issuer pursuant to the Interest Rate Cap Agreement;

"Deed Poll" means the deed poll dated on or about the Closing Date, executed by the Issuer, in favour of the Option Holder from time to time;

"Deferred Interest" shall have the meaning given to such term in Condition 8.12.1 (*Interest Deferral*);

"Definitive Certificates" means any definitive certificate issued to a Noteholder in respect of its registered holding of the Notes in, or substantially in, the form set out in the Trust Deed;

"Deposit Account" means the account in the name of the Issuer held at the Deposit Account Bank, or such additional or replacement bank account at such other Deposit Account Bank and/or other banks as may for the time being be in place with the prior consent of the Trustee and designated as such;

"Deposit Account Bank" means The Bank of New York Mellon, London Branch acting in such capacity (or any successor duly appointed);

"Deposit Account Bank Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Seller, the Cash Manager, the Deposit Account Bank and the Trustee;

"ECB" means the European Central Bank;

"ECB Rate" means the European Central Bank base rate;

"Encumbrance" means:

- (a) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person;
- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect;

"Enforcement Notice" means a notice delivered by the Trustee to the Issuer in accordance with Condition 13 (*Events of Default*) which declares the Notes to be immediately due and payable without further action or formality, at their Principal Amount Outstanding together with any accrued interest (or, in the case of the Class Z Notes, the Class Z Note Interest Amount);

"euro" or "€" or **EUR** means the lawful currency of member states of the European Union that adopt the single currency introduced in accordance with the Treaty;

"Euroclear" means Euroclear Bank S.A./N.V. with offices in 1 Boulevard du Roi Albert II B1210 Brussels, Belgium, and any successor to such business;

"EURIBOR" means the Euro Interbank Offered Rate;

"Euronext Dublin" means The Irish Stock Exchange plc, trading as Euronext Dublin;

"Event of Default" means any one of the events specified in Condition 13 (*Events of Default*);

"Exchange Date" means the first day following the expiry of forty days after the Closing Date;

"Extraordinary Resolution" means a resolution passed at a Meeting duly convened and held in accordance with the Provisions for Meetings of Noteholders by a majority of not less than three quarters of the votes cast;

"Final Discharge Date" means the date on which the Trustee notifies the Issuer and the Secured Creditors that it is satisfied that all the Secured Amounts and/or all other monies and other liabilities due or owing by the Issuer have been paid or discharged in full;

"Final Maturity Date" means the Interest Payment Date falling on 24 April 2071;

"Final Rated Note Distribution Date" means the Interest Payment Date on which the General Reserve Fund Residual Amount plus all Principal Receipts in respect of the Mortgage Loans received by the Issuer

during the immediately preceding Calculation Period is greater than or equal to the Principal Amount Outstanding of the Rated Notes;

"First Collection Period" means the period from (and including) the Closing Date to (and including) the Calculation Date immediately preceding the First Interest Payment Date;

"First Interest Payment Date" means the Interest Payment Date falling on 24 July 2019;

"Floating Rate Notes" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes;

"General Reserve Fund" means the reserve fund established on the Closing Date in the Deposit Account which will be initially funded by part of the proceeds of issuance of the Class Z Notes up to the Initial General Reserve Fund Required Amount and which will subsequently be funded from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments;

"General Reserve Fund Ledger" means the ledger maintained by the Cash Manager in the Deposit Account on behalf of the Issuer which records the amounts standing to the credit of the General Reserve Fund;

"General Reserve Fund Required Amount" means

- (a) on any Interest Payment Date up to (but excluding) the date that the Class E Notes are redeemed in full, an amount equal to the product of (x) 2 per cent.; and (y) the aggregate Principal Amount Outstanding of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; and
- (b) thereafter, zero.

"General Reserve Fund Residual Amount" means, with respect to any Interest Payment Date, the amount standing to the credit of the General Reserve Fund minus any amount to be applied to make up a Revenue Shortfall on such Interest Payment Date pursuant to item (d) of the definition of Available Revenue Receipts;

"Global Notes" means the Class A Global Note, the Class B Global Note, the Class C Global Note, the Class D Global Note, the Class E Global Note and the Class Z Global Note;

"holder" means the registered holder of a Note and the words **"holders"** and related expressions shall (where appropriate) be construed accordingly;

"ICS" means ICS Building Society;

"Incorporated Terms Memorandum" means the memorandum so named dated on or about the Closing Date and signed for the purpose of identification by each of the Transaction Parties;

"Initial General Reserve Fund Required Amount" means an amount equal to 2 per cent. of the aggregate Principal Amount Outstanding of the Class B Note, Class C Note, Class D Note and Class E Notes on the Closing Date;

"Initial Senior Reserve Fund Required Amount" means an amount equal to 2 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes on the Closing Date;

"Insolvency Event" means, in relation to the Reference Agent, the Principal Paying Agent, the Registrar, the Issuer, the Seller, BOIMB, the Administrator, the Cash Manager, the Deposit Account Bank and the Collection Account Bank (as applicable):

- (a) an order is made or an effective resolution passed for the winding up of the company, (except, in the case of the Issuer, 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 Most Senior Class of Notes) and, in the case of the Seller or BOIMB, a winding-up where the Seller or BOIMB (as applicable) is solvent);
- (b) the company, otherwise than for the purposes of an amalgamation or reconstruction as is referred to in paragraph (a) above, ceases or through an authorised action of its board of directors, threatens to cease to carry on all or substantially all of its business or is deemed unable to pay its debts as and when they fall due within the meaning of Section 509(3) and/or Section 570 of the Companies Act 2014;
- (c) the appointment of an Insolvency Official in relation to the company or in relation to the whole or any part of the undertaking or assets of such company (other than, in respect of the Seller and BOIMB, the appointment of an insolvency official to conduct a winding-up where BOIMB or the Seller (as applicable) is solvent); or
- (d) proceedings are to be initiated against the company under any applicable liquidation, insolvency, bankruptcy, composition, examination, court protection, reorganisation (other than a reorganisation where the company is solvent) or other similar laws and such proceedings are not being disputed in good faith with a reasonable prospect of success or an order appointing an examiner is to be granted or the appointment of an examiner takes effect or an examiner or receiver, liquidator, trustee in sequestration or other similar official is to be appointed in relation to the company or in relation to the whole or any substantial part of the undertaking or assets of the company;

"Insolvency Official" means, in relation to a company, a liquidator, (except, in the case of the Issuer, a liquidator appointed for the purpose of a merger, reorganisation or amalgamation the terms of which have previously been approved either in writing by the Trustee or by an Extraordinary Resolution of the holders of the Most Senior Class of outstanding Notes) provisional liquidator, administrator, bank administrator, examiner, administrative receiver, receiver, receiver or manager, compulsory or interim manager, nominee, supervisor, trustee, conservator, guardian or other similar officer in respect of such company or in respect of any arrangement, compromise or composition with any creditors or any equivalent or analogous officer under the law of any jurisdiction;

"Insurance Policies" means the Block Buildings Policy relating to the Mortgage Loans from time to time;

"Interest Amount" means in respect of a Note for any Interest Period the amount of interest calculated on the related Interest Determination Date for/on such Note for such Interest Period by:

- (a) multiplying the Principal Amount Outstanding of such Note on the Interest Payment Date for such Interest Period by the relevant Note Rate; and
- (b) then multiplying the amount so calculated in paragraph (a) by the relevant Day Count Fraction and rounding the resultant figure to the nearest Minimum Amount;

"Interest Determination Date" means the date falling two Business Days before each Interest Payment Date or, in the case of the first Interest Period, the Closing Date and, in relation to an Interest Period, the **"related Interest Determination Date"** means the Interest Determination Date which falls immediately before such Interest Period;

"Interest Determination Ratio" means (i) the aggregate Revenue Receipts calculated in the three preceding Administrator Reports divided by (ii) the aggregate of all Revenue Receipts and all Principal Receipts calculated in such Administrator Reports;

"Interest Payment Date" or "IPD" means the 24th day of January, April, July and October in each year commencing on the First Interest Payment Date, provided that if any such day is not a Business Day, the Interest Payment Date shall be the immediately succeeding Business Day unless it would as a result fall into the next calendar month, in which case it will be brought forward to the immediately preceding Business Day;

"Interest Period" means the period from (and including) an Interest Payment Date (except in the case of the first Interest Period, where it shall be the period from (and including) the Closing Date) to (but excluding) the next succeeding (or first) Interest Payment Date and, in relation to an Interest Determination Date, the **"related Interest Period"** means the Interest Period immediately following such Interest Determination Date;

"Interest Rate Cap Agreement" means the ISDA 2002 Master Agreement (together with the Schedule and Credit Support Annex thereto and Confirmation thereunder) to be entered into, on or before the Closing Date, by the Issuer and the Interest Rate Cap Provider to provide the Interest Rate Cap, which will be effective from and including the Closing Date up to and including 24 April 2026 (or, if earlier, the Relevant Redemption Date);

"Interest Rate Cap Provider" means HSBC Bank plc, whose address is at 8 Canada Square, London, E14 5HA, United Kingdom;

"Internal Mortgage Sale Agreement" means the mortgage sale agreement dated on or immediately prior to the Closing Date entered into between BOIMB as seller and Bank of Ireland as purchaser;

"IRC Collateral Account" means the IRC Euro Cash Collateral Account and any other separate interest rate cap collateral account opened by the Issuer in accordance with the Deposit Account Bank Agreement and the Interest Rate Cap Agreement;

"IRC Euro Cash Collateral Account" means a euro cash collateral account in the name of the Issuer held with the Deposit Account Bank pursuant to the Deposit Account Bank Agreement and the Interest Rate Cap Agreement;

"Issuer" means Mulcair Securities DAC (registered number 636799), a designated activity company limited by shares incorporated under the laws of Ireland, whose registered office is at 28 Fitzwilliam Place, Dublin 2, D02 P283, Ireland;

"Issuer Accounts" means the Deposit Account, the IRC Collateral Accounts and any additional bank accounts in the name of the Issuer established or to be established pursuant to the Deposit Account Bank Agreement;

"Issuer Covenants" means the covenants of the Issuer set out in Schedule 8 (*Issuer Covenants*) of the Incorporated Terms Memorandum;

"Issuer Jurisdiction" means Ireland or such other jurisdiction in which the Issuer or any Issuer substitute (as contemplated by Condition 21 (*Substitution of Issuer*)) is incorporated, tax resident and/or subject to taxation;

"Issuer Profit Account" means the bank account in the name of the Issuer held with the Deposit Account Bank which holds the Issuer Profit Amount;

"Issuer Profit Amount" means €250 on each Interest Payment Date to be credited to the Issuer Profit Account and to be retained by the Issuer as profit in respect of the business of the Issuer;

"Issuer Variable Rate" means any variable rate applicable to a Variable Rate Mortgage Loan and/or a Tracker Mortgage Loan in the Mortgage Portfolio;

"Liabilities" means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, decrees, actions, proceedings or other liabilities whatsoever including properly incurred legal fees and any Taxes and penalties incurred by that person;

"Losses" means any losses as determined by the Administrator in accordance with its then current procedures including, to the extent relevant, its Arrears Policy, arising in relation to a Mortgage Loan in the Mortgage Portfolio which causes a shortfall in the amount available to pay principal on the Notes (including, without limitation, any write downs under the Personal Insolvency Act or any loss to the Issuer as a result of an exercise of any set-off by any Borrower in respect of its Loan) or otherwise;

"Meeting" means a meeting of Noteholders of any class or classes (whether originally convened or resumed following an adjournment);

"Minimum Amount" means €0.01;

"Minimum Denomination" means in respect of the Notes represented by the Global Notes and (if issued) the Definitive Certificates will be €100,000 and, for so long as Euroclear and Clearstream, Luxembourg so permit, any amount in excess thereof in integral multiples of €1,000;

"Monthly Payment Date" means the date on which interest (and principal in relation to a Repayment Mortgage Loan) is due to be paid by a Borrower on a Mortgage Loan or, if any such day is not a Business Day, the following Business Day except where such following Business Day falls in a different month in which case, the preceding Business Day;

"Mortgage" means a first ranking legal charge over freehold or leasehold Properties located in Ireland which is security for a Mortgage Loan;

"Mortgage Conditions" means the mortgage and lending conditions forming part of the Standard Documentation, applicable from time to time;

"Mortgage Loan" means a residential mortgage loan, secured by a Mortgage and its Related Security, sold or to be sold to the Issuer on the Closing Date but excluding (for the avoidance of doubt) a Mortgage Loan and its Related Security which is repurchased by the Seller pursuant to the Mortgage Sale Agreement and no longer beneficially owned by the Issuer;

"Mortgage Loan Files" means the file or files relating to each Mortgage Loan (including files kept in microfiche format or similar electronic data retrieval system or the substance of which is transcribed and held on an electronic data retrieval system) containing, inter alia, correspondence between the Borrower and the Seller and including mortgage documentation applicable to the Mortgage Loan, each letter of offer for that Mortgage Loan, the Valuation Report (if applicable) and, to the extent available, the solicitor's Certificate of Title;

"Mortgage Portfolio" means the Provisional Mortgage Portfolio but excluding Mortgage Loans which at any time prior to the Closing Date, are found not to comply with the warranties to be given in respect of the Mortgage Loans on the Closing Date as set out in the Mortgage Sale Agreement.

"Mortgage Sale Agreement" means the agreement so named dated on or about the Closing Date between the Seller, the Issuer, the Trustee and the Administrator in relation to the sale of the Mortgage Portfolio to the Issuer;

"Most Senior Class" means the Class A Notes whilst they remain outstanding and thereafter the Class B Notes whilst they remain outstanding and thereafter the Class C Notes whilst they remain outstanding and thereafter the Class D Notes whilst they remain outstanding and those after the Class E Notes whilst they remain outstanding and thereafter the Class Z Notes;

"Note Principal Payment" means in respect of any Note on any Interest Payment Date, the principal amount redeemable in respect of such Note, which shall be a proportion of the amount of Available Principal Receipts required as at that Interest Payment Date pursuant to the Pre-Enforcement Principal Priority of Payments to be applied in redemption of the relevant class of Notes on such date equal to the proportion that the Principal Amount Outstanding of the relevant Note bears to the aggregate Principal Amount Outstanding of such class of Notes rounded down to the nearest Minimum Amount provided always that no such Note Principal Payment may exceed the Principal Amount Outstanding of the relevant Note;

"Note Rate" means in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes for each Interest Period, the Reference Rate determined as at the related Interest Determination Date plus the Relevant Margin in respect of each Class **provided that** if the Reference Rate plus the Relevant Margin for the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and/or the Class E Notes is less than zero, the Note Rate will be deemed to be zero for such Class;

"Noteholder" means the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class Z Noteholders or, where the context otherwise requires, the holders of Notes of a particular class or classes, as the case may be;

"Notes" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes;

"Notices Condition" means Condition 22 (*Notices*);

"Notices Details" means, in relation to any Agent, the provisions set out in Schedule 9 (*Notice Details*) of the Incorporated Terms Memorandum;

"Option Purchase Price" means the purchase price for the Mortgage Loans and their Related Security comprising the Mortgage Portfolio pursuant to the Portfolio Option which shall be an amount equal to the greater of:

- (a) the Consideration less any collections of principal received on the Mortgage Loans since the Cut-Off Date; or
- (b) without double counting, the greater of:
 - (i) zero; and
 - (ii) an amount equal to
 - (A) the amount required by the Issuer to pay in full all amounts payable under items (a) to (p) (inclusive) of the Post-Enforcement Priority of Payments on the immediately following Interest Payment Date,

less

- (B) any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer)

in each case, plus (i) the costs and expenses of the Issuer and of the Seller associated with transferring its interests in any Mortgage Loan and its Related Security to the Option Holder or its nominee (if any) and (ii) an amount agreed between the Issuer and the Option Holder in respect of costs anticipated to be incurred by the Issuer after the Portfolio Option Completion Date;

"outstanding" means, in relation to the Notes, all the Notes other than:

- (a) those which have been redeemed in full and cancelled in accordance with the Conditions;
- (b) those in respect of which the date for redemption, in accordance with the provisions of the Conditions, has occurred and for which the redemption monies (including all interest accrued thereon to such date for redemption) have been duly paid to, or to the order of, the Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with the Notices Condition) and remain available for payment in accordance with the Conditions;
- (c) those which have been redeemed or surrendered for cancellation as provided in Condition 9 (Final Redemption, Mandatory Redemption in part, Optional Redemption and Cancellation) and notice of the cancellation of which has been given to the Trustee;
- (d) those which have become void under the Conditions;
- (e) those mutilated or defaced Notes which have been surrendered or cancelled and those Notes which are alleged to have been lost, stolen or destroyed and in all cases in respect of which replacement Notes have been issued pursuant to the Conditions; and
- (f) any Global Note, to the extent that it shall have been exchanged for the related Definitive Certificates pursuant to the provisions contained therein and the Conditions;

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of Noteholders;
- (ii) the removal or replacement of the Trustee;
- (iii) the determination of how many and which Notes are for the time being outstanding for the purposes of clause 11 (*Waiver*), clause 12 (*Modifications*), clause 15 (*Proceedings and Actions by the Trustee*), clause 24 (*Appointment of Trustees*) and clause 25 (*Notice of New Trustee*) of the Trust Deed and Condition 13 (*Events of Default*), Condition 14 (*Enforcement*), Condition 16 (*Meetings of Noteholders*) and Condition 17 (*Modification and Waiver*) and the Provisions for Meetings of Noteholders;
- (iv) any discretion, power or authority, whether contained in the Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them;
- (v) any right, discretion, power or authority, whether contained in the Deed Poll or the other Transaction Documents, which the Class Z Noteholders are entitled to exercise,

those Notes (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer, the Seller, any holding company of any of them or any other subsidiary of either such holding company, in each case as beneficial owner, shall (unless and until ceasing to be so held) be deemed not to remain outstanding, except:

- (i) in the case of the Seller, any holding company of the Seller or any other subsidiary of such holding company (the "**Relevant Persons**") where all of the Notes of any class are held by or on behalf of or for the benefit of one or more Relevant Persons, in which case such class of Notes (the "**Relevant Class of Notes**") shall be deemed to remain outstanding except that, if there is any other class of Notes ranking *pari passu* with, or junior to, the Relevant Class of Notes and one or more Relevant Persons are not the beneficial owners of all the Notes of any such junior class, then the Relevant Class of Notes shall be deemed not to remain outstanding; and

- (ii) in respect of any meeting for Noteholders to consider the removal or replacement of the Trustee, where one or more Relevant Persons hold, in aggregate, more than 50 per cent. of the principal amount outstanding of the relevant Class of Notes, in which case such Notes shall be deemed to remain outstanding;

"Participants" means persons that have accounts with Euroclear or Clearstream, Luxembourg;

"Paying Agents" means the Principal Paying Agent and any other paying agents named in the Agency Agreement together with any successor or additional paying agents appointed from time to time in connection with the Notes under the Agency Agreement;

"PDL Debit Balance" means the aggregate debit balance of the Principal Deficiency Ledger;

"Personal Insolvency Act" means the Personal Insolvency Act 2012 of Ireland, as amended;

"Portfolio Option" means the option granted by the Issuer to the Option Holder pursuant to the Deed Poll;

"Portfolio Option Call Date" means the Interest Payment Date falling on 24 April 2022;

"Portfolio Option Commencement Date" means

- (a) (i) any Business Day falling on or prior to (x) 3 months prior to the Portfolio Option Call Date (where the Exercise Notice directs the Issuer to transfer, or to procure that the Seller either transfers or procures the transfer, of the Whole Legal Title to the Transferee) or (y) 30 days prior to the Portfolio Option Call Date (where the Exercise Notice directs the Issuer to procure the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Trust Beneficiary); or (ii) the Portfolio Option Call Date and each Interest Payment Date falling on or after the Portfolio Option Call Date; or
- (b) any Interest Payment Date on which the aggregate Principal Amount Outstanding of the Rated Notes is equal to or less than 10 per cent. of the aggregate Principal Amount Outstanding of the Rated Notes on the Closing Date; or
- (c) any Business Day following the occurrence of a Redemption Event;

"Portfolio Option Completion Date" means the Interest Payment Date specified in the Exercise Notice on which the purchase by the Beneficial Title Transferee of the Whole Beneficial Title is completed pursuant to the terms of the Deed Poll **provided that** (i) the earliest such date can be is the Portfolio Option Call Date; and (ii) where the Exercise Notice directs the Issuer to transfer, or to procure that the Seller either transfers, or procures the transfer of the Whole Legal Title to the Legal Title Transferee, the Portfolio Option Completion Date shall be no earlier than 3 months from the date of the Exercise Notice and where the Exercise Notice directs the Issuer to procure that the Legal Title Holders declare a trust over the Whole Legal Title in favour of the Trust Beneficiary, the Portfolio Option Completion Date shall be no earlier than 30 days from the date of the Exercise Notice and provided that in the case of a declaration of trust over the Whole Legal Title no such Portfolio Option Completion Date may occur earlier than the date on which the Administrator is appointed by the Beneficial Title Transferee to service the Mortgage Loans;

"Post-Enforcement Priority of Payments" means the provisions relating to the order of priority of payments from the Charged Accounts following delivery of an Enforcement Notice, set out in clause 15 (*Post-Enforcement Priority of Payments*) of the Deed of Charge;

"Potential Event of Default" means any event which may become (with the passage of time, the giving of notice, the making of any determination or any combination thereof) an Event of Default;

"Pre-Enforcement Principal Priority of Payments" means the provision relating to the order of priority of payments from the Principal Ledger set out in Schedule 4 (*Priorities of Payment*) of the Cash Management Agreement;

"Pre-Enforcement Revenue Priority of Payments" means the provisions relating to the order of priority of payments from the Revenue Ledger set out in Schedule 4 (*Priorities of Payment*) of the Cash Management Agreement;

"Principal Amount Outstanding" means, on any day:

- (a) in relation to a Note, the principal amount outstanding of that Note as at the Closing Date, less the aggregate amount of any principal payments in respect of that Note which have become due and payable (and been paid) on or prior to that day;
- (b) in relation to a class, the aggregate of the amount in (a) in respect of all Notes outstanding in such class; and
- (c) in relation to the Notes outstanding at any time, the aggregate of the amount in (a) in respect of all Notes outstanding, regardless of class;

"Principal Deficiency Excess" means any excess amount of Available Revenue Receipts applied by the Cash Manager to cure the PDL Debit Balance on the previous Calculation Date as a result of, *inter alia*, Mortgage Loans in arrears being subsequently found to have been fully or partially cured or following any recoveries of principal from defaulting Borrowers on enforcement of any Mortgage Loan (including the proceeds of sale of the relevant Property) which amounts have already been recorded as a debt to the Principal Deficiency Ledger;

"Principal Deficiency Excess Revenue Amounts" means, on any Calculation Date, an amount equal to the Principal Deficiency Excess which is available to be applied as Available Revenue Receipts on the next Interest Payment Date;

"Principal Deficiency Ledger" means the Principal Deficiency Ledger comprising the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger and the Class Z Principal Deficiency Sub-Ledger maintained by the Cash Manager on behalf of the Issuer which records on it all deficiencies arising from Losses allocated to the Notes and Principal Receipts used to pay a Remaining Revenue Shortfall;

"Principal Ledger" means the ledger maintained by the Cash Manager on behalf of the Issuer which records all Principal Receipts received by the Issuer and the distribution of the Principal Receipts in accordance with the provisions of the Cash Management Agreement and in particular with the Pre-Enforcement Principal Priority of Payments or the Post-Enforcement Priority of Payments (as applicable);

"Principal Paying Agent" means The Bank of New York Mellon, London Branch, acting through its office at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom, in its capacity as principal paying agent pursuant to the Agency Agreement;

"Principal Receipts" means payments received by the Issuer representing:

- (a) any payment in respect of principal received in respect of any Mortgage Loan (including Capitalised Arrears and Capitalised Expenses but excluding Accrued Interest and Arrears of Interest);
- (b) recoveries of principal from defaulting Borrowers on enforcement of any Mortgage Loan (including the proceeds of sale of the relevant Property but excluding any Trust Property to which the Seller is entitled);
- (c) any payment pursuant to any Insurance Policy in respect of a Property in connection with a Mortgage Loan in the Mortgage Portfolio;
- (d) recoveries of principal on redemption (including partial redemption) of any Mortgage Loan;

- (e) proceeds of the repurchase of any Mortgage Loan by the Seller from the Issuer pursuant to the Mortgage Sale Agreement (to the extent such proceeds are not attributable to interest amounts in respect of the Mortgage Loans as at the relevant transfer date);
- (f) the proceeds of any indemnity payment received from the Seller in respect of any breach of any Mortgage Loan Warranty or any indemnity in respect of a Tracker Remediation Mortgage Loan pursuant to the Mortgage Sale Agreement (to the extent representing principal);
- (g) amounts representing the Option Purchase Price received by the Issuer upon sale of the Mortgage Portfolio pursuant to the exercise of the Portfolio Option; and
- (h) any other payments received which are not classified as Revenue Receipts;

"Priorities of Payments" means the Pre-Enforcement Revenue Priority of Payments, the Pre-Enforcement Principal Priority of Payments and the Post-Enforcement Priority of Payments;

"Property" means a freehold or leasehold property which is subject to a Mortgage;

"Provisional Mortgage Portfolio" means the portfolio of Mortgage Loans as at the Cut-Off Date which have been identified and selected by the Seller;

"Provisions for Meetings of Noteholders" means the provisions contained in Schedule 3 (*Provisions for Meetings of Noteholders*) of the Trust Deed;

"Prudent Mortgage Lender" means the manner of a reasonably prudent mortgage lender lending to borrowers in Ireland where the Mortgage Loan is secured over residential property;

"Rated Notes" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes;

"Rating Agencies" means DBRS Ratings Limited (including any entity that is part of or a successor to DBRS Ratings Limited) and S&P Global Ratings Europe Limited and **"Rating Agency"** means any of them;

"Receiver" means any receiver, manager, administrator, receiver or manager, or administrative receiver appointed in respect of the Issuer by the Issuer at the request of the Trustee or by the Trustee in accordance with clause 17 (*Appointment and Removal of Receivers*) of the Deed of Charge;

"Reconciliation Amount" means in respect of any Calculation Period, (i) the actual Principal Receipts as determined in accordance with the available Administrator Reports, less (ii) the calculated Principal Receipts in respect of such Calculation Period, plus (iii) any Reconciliation Amount not applied in previous Calculation Periods;

"Reference Agent" means The Bank of New York Mellon, London Branch acting in its capacity as Reference Agent pursuant to the Agency Agreement (or any successor duly appointed);

"Reference Banks" means the principal London office of four major banks in the London interbank market, selected by the Reference Agent at the relevant time;

"Reference Rate" means, on any Interest Determination Date, the floating rate determined by the Reference Agent by reference to the Screen Rate on such date or if, on such date, the Screen Rate is unavailable:

- (a) the Rounded Arithmetic Mean of the offered quotations as at or about 11.00am (London time) on that date of the Reference Banks to major banks for Euro deposits for the Relevant Period in the London interbank market in the Representative Amount determined by the Reference Agent after request of each of the Reference Banks;

(b) if, on such date, two or three only of the Reference Banks provide such quotations, the rate determined in accordance with paragraph (a) above on the basis of the quotations of those Reference Banks providing such quotations; or

(c) if, on such date, one only or none of the Reference Banks provide such a quotation, the Reserve Reference Rate;

"Register" means the register on which the names and addresses of the holders of the Notes and the particulars of the Notes shall be entered and kept by the Issuer at the Specified Office of the Registrar;

"Registrar" means the party responsible for the registration of the Notes, which at the Closing Date is The Bank of New York Mellon SA/NV, Luxembourg Branch acting in such capacity pursuant to the Agency Agreement (or any successor duly appointed);

"Related Security" means in relation to a Mortgage Loan, the security for the repayment of that Mortgage Loan, the security for the repayment of that Mortgage Loan including the relevant Mortgage and all other matters applicable thereto acquired as part of the Mortgage Portfolio sold to the Issuer pursuant to the Mortgage Sale Agreement including (without limitation);

(a) the benefit of all affidavits, declarations, consents, renunciations, guarantees, indemnities, waivers and postponements (including, without limitation, deeds of consent relating to the relevant Property) from occupiers and other persons having an interest in or rights in connection with the relevant Property;

(b) each right of action of the Seller against any person (including, without limitation, any solicitor, valuer, registrar or registry or other person) in connection with any report, valuation, opinion, certificate or other statement of fact or opinion (including, without limitation, each Certificate of Title and Valuation Report) given or received in connection with all or part of any Mortgage Loan and its Related Security or affecting the decision of the Seller to make or offer to make all or part of the Mortgage Loan but excluding, for the avoidance of doubt, any rights of action the Seller may have against BOIMB pursuant to the Internal Mortgage Sale Agreement; and

(c) the benefit of (including, without limitation, the rights as the insured person under and as notations of interest on, and returns of premium and proceeds of claims under) insurance and assurance policies (including, the relevant Insurance Policies) deposited, charged, obtained, or held in connection with the Mortgage Loan, Mortgage and/or Property and relevant Mortgage Loan files;

"Relevant Additional Note Payment Margin" means:

(a) In respect of the Class C Notes, 1.00 per cent. per annum;

(b) In respect of the Class D Notes, 2.00 per cent. per annum;

(c) In respect of the Class E Notes, 3.00 per cent. per annum;

"Relevant Margin" means:

(a) for the Class A Notes, 1.00 per cent. per annum up to and excluding the Step-Up Date and thereafter the Step-Up Margin;

(b) for the Class B Notes, 1.50 per cent. per annum up to and excluding the Step-Up Date and thereafter the Step-Up Margin;

(c) for the Class C Notes, 1.50 per cent. per annum up to and excluding the Step-Up Date and thereafter the Step-Up Margin;

- (d) for the Class D Notes, 1.50 per cent. per annum up to and excluding the Step-Up Date and thereafter the Step-Up Margin; and
- (e) for the Class E Notes, 1.50 per cent. per annum up to and excluding the Step-Up Date and thereafter the Step-Up Margin;

"Relevant Period" means, in relation to the first Interest Determination Date, the linear interpolation of three months and six months and, in relation to each subsequent Interest Determination Date, the length in months of the related Interest Period;

"Remaining Revenue Shortfall" means for each Interest Payment Date after the Class A Notes have been redeemed in full and after paying or providing for items (a) to (f) inclusive of the Pre-Enforcement Revenue Priority of Payments, the extent, if any, of any remaining shortfall in amounts available to pay or provide for payment on such Interest Payment Date of items (g) to (n) inclusive, of the Pre-Enforcement Revenue Priority of Payments after application by the Cash Manager (on behalf of the Issuer) of (i) Available Revenue Receipts (other than items (c) of Available Revenue Receipts) and (ii) amounts standing to the credit of the General Reserve Fund to make up a Revenue Shortfall;

"Remaining Senior Revenue Shortfall" means for each Interest Payment Date, the extent, if any, of any remaining shortfall in amounts available to pay or provide for payment on such Interest Payment Date of items (a) to (f) inclusive, of the Pre-Enforcement Revenue Priority of Payments after application by the Cash Manager (on behalf of the Issuer) of (i) Available Revenue Receipts (other than items (c) and (e) of Available Revenue Receipts) and (ii) amounts standing to the credit of the Senior Reserve Fund to make up a Senior Revenue Shortfall;

"Representative Amount" means an amount that is representative for a single transaction in the relevant market at the relevant time;

"Reserved Matter" means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes of any class, to modify the amount of principal or interest due on any date in respect of the Notes of any class or to alter the method of calculating the amount of, or date fixed for, any payment in respect of the Notes of any class;
- (b) (except in accordance with Condition 21 (*Substitution of Issuer*) and clause 13 (*Substitution*) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) to alter the priority of payment of interest or principal in respect of the Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution of holders of the Most Senior Class then outstanding; or
- (f) to amend this definition,

but excluding a Base Rate Modification;

"Reserve Reference Rate" means on any Interest Determination Date:

- (a) the Rounded Arithmetic Mean of the rates at which deposits in Euros are offered in the London interbank market at approximately 11.00am (London time) on the Interest Determination Date by the principal London office of each of four major banks selected by the Reference Agent in its

absolute discretion for Euro loans for the Relevant Period in the Representative Amount to major banks in the London interbank market; or

- (b) if the Reference Agent certifies that it cannot determine such Rounded Arithmetic Mean as aforesaid, the Reference Rate in effect for the Interest Period ending on the Business Day immediately preceding the relevant Interest Determination Date;

"Revenue Ledger" means the ledger maintained by the Cash Manager on behalf of the Issuer which records all Revenue Receipts received by the Issuer and distribution of the same in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments (as applicable);

"Revenue Receipts" means payments received by the Issuer directly or from the Seller representing:

- (a) payments of interest (including Arrears of Interest and Accrued Interest but excluding Capitalised Arrears) and fees due from time to time under the Mortgage Loans;
- (b) recoveries of interest and outstanding fees (excluding Capitalised Arrears, if any) from defaulting Borrowers under Mortgage Loans being enforced;
- (c) recoveries of interest from defaulting Borrowers under Mortgage Loans in respect of which enforcement procedures have been completed (excluding any Trust Property to which the Seller is entitled);
- (d) the proceeds of the repurchase of any Mortgage Loan by the Seller from the Issuer pursuant to the Mortgage Sale Agreement to the extent such proceeds are attributable to Accrued Interest, Arrears of Interest and other interest amounts in respect of the Mortgage Loans (excluding, for the avoidance of doubt, Capitalised Arrears) as at the relevant transfer date;
- (e) the proceeds of any indemnity payment received from the Seller in respect of any breach of any Mortgage Loan Warranty or any indemnity in respect of a Tracker Remediation Mortgage Loan pursuant to the Mortgage Sale Agreement to the extent such proceeds are attributable to Accrued Interest, Arrears of Interest and other interest amounts in respect of the Mortgage Loans;
- (f) any early repayment charges which have been paid by the Borrower in respect of the Mortgage Loans.

"Revenue Shortfall" means, for each Interest Payment Date, the extent if any, by which Available Revenue Receipts (other than item (d) of Available Revenue Receipts and any Available Principal Receipts applied in respect of any Remaining Revenue Shortfall pursuant to item (e) of Available Revenue Receipts) are insufficient to pay or provide for items (g) to (n) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date;

"Rounded Arithmetic Mean" means the arithmetic mean (rounded, if necessary, to the nearest 0.0001 per cent., 0.00005 per cent. being rounded upwards);

"Screen" means Reuters Screen EURIBOR01; or

- (a) such other page as may replace Reuters Screen EURIBOR01 on that service for the purpose of displaying such information; or
- (b) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Trustee) as may replace such screen;

"Screen Rate" means, in relation to (i) the first Interest Determination Date, the linear interpolation of the offered quotations for euro deposits for the Relevant Period in the London interbank market displayed on the Screen or (ii) any subsequent Interest Determination Date, the offered quotations for Euro deposits for the Relevant Period which appears on the Screen (in the case of (i) and (ii)) as at or about 11.00am (London time) on that date (rounded upwards if necessary, to five decimal places);

"Secured Amounts" means the aggregate of all moneys and Liabilities which from time to time are or may become due, owing or payable by the Issuer to each, some or any of the Secured Creditors under the Notes or the Transaction Documents;

"Secured Creditors" means the Trustee in its own capacity, any Receiver or any Appointee appointed by the Trustee, each in its own capacity, the Reference Agent, the Registrar, the Paying Agents, the Corporate Services Provider, the Administrator, (and any replacement of the Administrator), the Replacement Administrator Facilitator, the Cash Manager, (and any replacement of the Cash Manager), the Deposit Account Bank (and any replacement of the Deposit Account Bank), the Interest Rate Cap Provider, the Noteholders and any party named as such in a Transaction Document;

"Security" means the security granted by the Issuer to the Trustee under and pursuant to the Deed of Charge in favour of the Trustee for the benefit of the Secured Creditors;

"Seller" means Bank of Ireland acting in its capacity as seller of the Mortgage Loans and their Related Security to the Issuer pursuant to the Mortgage Sale Agreement;

"Seller Security Power of Attorney" means the power of attorney granted by the Seller in favour of the Issuer and the Trustee on the Closing Date in substantially the same form as that set out in Schedule 3 (*Seller Security Power of Attorney*) to the Mortgage Sale Agreement;

"Senior Reserve Fund" means the reserve fund established on the Closing Date in the Deposit Account which will be initially funded by part of the proceeds of issuance of the Class Z Notes up to the Initial Senior Reserve Fund Required Amount and which will subsequently be funded from Available Revenue Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments;

"Senior Reserve Fund Excess Amount" means the excess by which the funds credited to the Senior Reserve Fund (having taken into account any funds applied on such Interest Payment Date to remedy a Senior Revenue Shortfall) exceed the Senior Reserve Fund Required Amount;

"Senior Reserve Fund Ledger" means the ledger maintained by the Cash Manager in the Deposit Account on behalf of the Issuer which records the amounts standing to the credit of the Senior Reserve Fund;

"Senior Reserve Fund Required Amount" mean means (a) on any Interest Payment Date up to (but excluding) the earlier of (x) the Interest Payment Date on which the Class A Notes are redeemed in full; and (y) the Interest Payment Date on which the outstanding principal balance of the Mortgage Loans becomes less than one per cent. of the initial principal balance of the Mortgage Loans as at the Closing Date, an amount equal to the greater of:

- (i) the product of (A) 2 per cent. and (B) the Principal Amount Outstanding of the Class A Notes on the relevant Interest Payment Date; and
- (ii) the product of (A) 1 per cent. and (B) the Principal Amount Outstanding of the Class A Notes on the Closing Date; and

(b) thereafter, zero.

"Senior Reserve Fund Residual Amount" means the amount standing to the credit of the Senior Reserve Fund on the Interest Payment Date that is the earlier of the date on which (i) the Class A Notes are

redeemed in full; and (ii) the aggregate Current Balance of the Mortgage Loans is less than one per cent of the aggregate Current Balance of the Mortgage Loans on the Closing Date, such amount constituting part of the Available Principal Receipts;

"Senior Revenue Shortfall" means, for each Interest Payment Date, the extent if any, by which Available Revenue Receipts (other than item (c) of Available Revenue Receipts) are insufficient to pay or provide for items (a) to (d) of the Pre-Enforcement Revenue Priority of Payments on such Interest Payment Date;

"Share Trustee" means CSC Share Trustee Services (Ireland) Limited, (registered number 603819), a company incorporated under the laws of Ireland, whose principal office is at 28 Fitzwilliam Place, Dublin 2, 2D02 P238, Ireland;

"Specified Office" means, in relation to any Agent:

- (a) the office specified against its name in the Notices Details; or
- (b) such other office as such Agent may specify in accordance with clause 13.8 (*Changes in Specified Offices*) of the Agency Agreement;

"SPV Criteria" means the criteria established from time to time by the Rating Agencies for a single purpose company in the Issuer Jurisdiction;

"Standard Documentation" means the standard documentation of the Seller, a list of which is set out in the Mortgage Sale Agreement;

"Step-Up Date" means the Interest Payment Date falling on 24 April 2022;

"Step-Up Margin " means, from and including the Step-Up Date;

- (a) In respect of the Class A Notes, 1.65 per cent. per annum;
- (b) In respect of the Class B Notes, 2.00 per cent. per annum;
- (c) In respect of the Class C Notes, 1.50 per cent. per annum;
- (d) In respect of the Class D Notes, 1.50 per cent. per annum; and
- (e) In respect of the Class E Notes, 1.50 per cent. per annum;

"Substituted Obligor" means a single purpose company incorporated in any jurisdiction that meets the SPV Criteria;

"TARGET2 Settlement Day" means any day on which the TARGET2 system is open for the settlement of payments in euro;

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

"Tax" shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same, but excluding taxes on net income) imposed or levied by or on behalf of any Tax Authority and "Taxes", "taxation", "taxable" and comparable expressions shall be construed accordingly;

"Tax Authority" means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function (including, without limitation, the Irish Revenue Commissioners);

"Tax Deduction" means any deduction or withholding for or on account of Tax;

"Tracker Mortgage Loans" means the Mortgage Loans which are ECB-linked mortgages where the applicable rate of interest is calculated by reference to the ECB Rate or, where the applicable rate of interest is calculated by reference to a combination of the ECB Rate and the appropriate loan to value ratio;

"Transaction Documents" means the Deposit Account Bank Agreement, the Administration Agreement, the Agency Agreement, the Cash Management Agreement, the Collection Account Declarations of Trust, the Corporate Services Agreement, the Deed of Charge, the Incorporated Terms Memorandum, the Mortgage Sale Agreement, the Seller Security Power of Attorney, the BOIMB Security Power of Attorney, the Trust Deed, the Deed Poll, the Interest Rate Cap Agreement and such other related documents which are referred to in the terms of the above documents or which relate to the issue of the Notes and any other document designated as such by the Issuer and the Trustee;

"Transaction Party" means any person who is a party to a Transaction Document and **Transaction Parties** means some or all of them;

"Treaty" means the Treaty establishing the European Community, as amended;

"Trust Deed" means the deed so named dated on or about the Closing Date between the Issuer and the Trustee and any document expressed to be supplemental to the Trust Deed;

"Trust Documents" means the Trust Deed and the Deed of Charge and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions of the Trust Deed or the Deed of Charge and expressed to be supplemental to the Trust Deed and the Deed of Charge;

"Trust Property" means the benefit of the rights, powers and covenants in the Trustee's favour contained in the Trust Deed and the other Transaction Documents and all proceeds derived therefrom;

"Trustee" means BNY Mellon Corporate Trustee Services Limited in its capacity as trustee under the terms of the Trust Documents, and such other person or persons as may be appointed from time to time as Trustee (or co-Trustee) pursuant to the Trust Documents;

"Unpaid Additional Note Payments" means the Class C Unpaid Additional Note Payments, the Class D Unpaid Additional Note Payments and the Class E Unpaid Additional Note Payments and each an Unpaid Additional Note Payment as the context so requires;

"Valuation Report" means the valuation report or reports for mortgage purposes, obtained by the Seller from a valuer in respect of each Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a Prudent Mortgage Lender and which has been approved by the relevant officers of the Seller;

"Variable Rate" means the variable rate of interest set by the Administrator applicable to certain Mortgage Loans contained in the Mortgage Portfolio;

"Variable Rate Mortgage Loans" means the Mortgage Loans which are subject to a variable rate of interest as set by the Legal Title Holder; and

"Written Resolution" means a resolution in writing signed by or on behalf of all holders of Notes of the relevant class for the time being outstanding, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes.

2.2 Interpretation

Any reference in the Conditions to:

"continuing", in respect of an Event of Default, shall be construed as a reference to an Event of Default which has not been waived in accordance with the terms of the Conditions or, as the case may be, the relevant Transaction Document;

a **"class"** shall be a reference to a class of the Notes being the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes or the Class Z Notes and classes shall be construed accordingly;

"including" shall be construed as a reference to "including without limitation", so that any list of items or matters appearing after the word "including" shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word "including";

"indebtedness" shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

a **"law"** shall be construed as any law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court;

a **"person"** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;

"principal" shall, where applicable, include premium;

"redeem" and **"pay"** shall each include both of the others and **"redeemed"**, **"redeemable"** and **"redemption"** and **"paid"**, **"payable"** and **"payment"** shall be construed accordingly;

a reference to any person defined as a **"Transaction Party"** in the Conditions shall be construed so as to include its and any subsequent successors and permitted transferees in accordance with their respective interests; and

a **"successor"** of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

2.3 **Transaction Documents and other agreements**

Any reference to any document defined as a Transaction Document or any other agreement or document shall be construed as a reference to such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, restated, varied, novated, supplemented or replaced.

2.4 **Statutes and Treaties**

Any reference to a statute or treaty shall be construed as a reference to such statute or treaty as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted.

2.5 **Schedules**

Any Schedule of, or Appendix to a Transaction Document forms part of such Transaction Document and shall have the same force and effect as if the provisions of such Schedule or Appendix were set out in the body of such Transaction Document. Any reference to a Transaction Document shall include any such Schedule or Appendix.

2.6 Headings

Condition headings are for ease of reference only.

2.7 Sections

Except as otherwise specified in the Condition, reference in the Conditions to:

2.7.1 a **"Section"** shall be construed as a reference to a Section of the relevant Transaction Document;

2.7.2 a **"Part"** shall be construed as a reference to a Part of the relevant Transaction Document;

2.7.3 a **"Schedule"** shall be construed as a reference to a Schedule of the relevant Transaction Document;

2.7.4 a **"clause"** shall be construed as a reference to a clause of a Part or Section (as applicable) of the relevant Transaction Document; and

2.7.5 a **"Paragraph"** shall be construed as a reference to a Paragraph of a Schedule of the relevant Transaction Document.

2.8 Number

In any Transaction Document, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

3 FORM AND DENOMINATION

3.1 The Notes are in fully registered form in the Minimum Denomination for such Notes, without principal receipts, interest coupons or talons attached.

3.2 The Principal Amount Outstanding of the Notes of each class initially offered and sold outside the United States to persons that are not U.S. persons pursuant to Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**Securities Act**") is represented by one or more global registered notes in fully registered form (the **Global Notes**) without coupons attached. References herein to the Notes shall include (i) in relation to any Notes of a class represented by a Global Note, units of the Minimum Denomination of such class, (ii) any Global Note and (iii) any Definitive Certificate issued in exchange for a Global Note.

3.3 For so long as any Notes are represented by a Global Note, transfers and exchanges of beneficial interests in Global Notes and entitlement to payments thereunder will be effected subject to and in accordance with the rules and procedures from time to time of Euroclear or Clearstream, Luxembourg, as appropriate.

3.4 For so long as the Notes are represented by a Global Note and Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable only in minimal amounts of €100,000 and integral multiples of €1,000 thereafter.

3.5 Certificates evidencing definitive registered Notes in an aggregate principal amount equal to the Principal Amount Outstanding of the Global Notes (the "**Definitive Certificates**") will be issued in registered form and serially numbered in the circumstances referred to below. Definitive Certificates, if issued, will be issued in the denomination of €100,000 and any amount in excess thereof in integral multiples of €1,000.

3.6 If, while any Notes are represented by a Global Note:

- 3.6.1 in the case of a Global Note held in Euroclear or Clearstream, Luxembourg, Euroclear or Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business or do so cease business and no alternative clearing system is available; or
- 3.6.2 as a result of any amendment to, or change in, the laws or regulations of Ireland (or any political subdivision thereof) or of any authority therein or thereof having power to tax or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations which becomes effective on or after the Closing Date, the Issuer or any Paying Agent is or will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes were in definitive registered form and a certificate to such effect signed by an authorised director of the Issuer is delivered to the Trustee (upon which the Trustee shall be entitled to rely without liability to any person), (each a "**relevant event**") the Issuer will issue Definitive Certificates to Noteholders whose accounts with the relevant clearing systems are credited with interests in that Global Note in exchange for those interests within 30 days of the relevant event but not earlier than the Exchange Date. The Global Note will not be exchangeable for Definitive Certificates in any other circumstances.

4 TITLE

- 4.1 The person registered in the Register as the holder of any Note will (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Note regardless of any notice of ownership, theft or loss, of any trust or other interest therein or of any writing thereon or, if more than one person, the first named of such persons who will be treated as the absolute owner of such Note.
- 4.2 The Issuer shall cause to be kept at the Specified Office of the Registrar, the Register on which shall be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers and redemptions of the Notes.
- 4.3 No transfer of a Note will be valid unless and until entered on the Register.
- 4.4 Transfers and exchanges of beneficial interests in the Global Note and any Definitive Certificates and entries on the Register relating thereto will be made subject to any restrictions on transfers set forth on such Notes and the detailed regulations concerning transfers of such Notes contained in the Agency Agreement, the Trust Deed and the legend appearing on the face of the Notes. In no event will the transfer of a beneficial interest in a Global Note or the transfer of a Definitive Certificate be made absent compliance with the regulations referred to above (and subject to the Issuer or its agents being able to obtain any information required in order to satisfy any automatic exchange of information obligations under any applicable law), and any purported transfer in violation of such regulations or automatic exchange of information requirements shall be void ab initio and will not be honoured by the Issuer or the Trustee. The regulations referred to above may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be sent by the Principal Paying Agent in the U.K. or the Registrar to any holder of a Note who so requests (and who provides evidence of such holding where the Notes are in global form) and will be available upon request at the Specified Office of the Registrar or the Principal Paying Agent.
- 4.5 A Definitive Certificate may be transferred in whole or in part upon the surrender of the relevant Definitive Certificate, together with the form of transfer endorsed on it duly completed and executed, at the Specified Office of the Registrar or the Principal Paying Agent. In the case of a transfer of part only of a Definitive Certificate, a new Definitive Certificate in respect of the balance remaining will be issued to the transferor by or by order of the Registrar.
- 4.6 Each new Definitive Certificate, to be issued upon transfer of Definitive Certificates will, within five Business Days of receipt of such request for transfer, be available for delivery at the Specified Office of the Registrar

or the Principal Paying Agent stipulated in the request for transfer, or be mailed at the risk of the holder entitled to the Definitive Certificate, to such address as may be specified in such request.

4.7 Registration of Definitive Certificates on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment of (or the giving of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

4.8 No holder of a Definitive Certificate may require the transfer of such Note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on such Note (or, in the case of Class Z Notes, the Class Z Note Interest Amount).

5 **STATUS AND RANKING**

5.1 **Status**

The Notes of each class constitute direct, secured and unconditional obligations of the Issuer.

5.2 **Ranking**

The Class A Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class B Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class C Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class D Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class E Notes will at all times rank without preference or priority *pari passu* amongst themselves. The Class Z Notes will at all times rank without preference or priority *pari passu* amongst themselves.

5.3 **Sole Obligations**

The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any of the other Transaction Parties.

5.4 **Priority of Interest Payments**

Payments of interest on the Class A Notes will at all times rank in priority to payments of interest on the Class B Notes, payments of interest on the Class B Notes will at all times rank in priority to payments of interest on the Class C Notes, payments of interest on the Class C Notes will at all times rank in priority to payment of interest on the Class D Notes, payments of interest on the Class D Notes will at all times rank in priority to payment of interest on the Class E Notes, payments of interest on the Class E Notes will at all times rank in priority to payments of interest on the Class Z Notes, in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

5.5 **Priority of Principal Payments**

Payments of principal on the Class A Notes will rank in priority to payments of principal on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes. Payments of principal on the Class B Notes will rank in priority to payments of principal on the Class C Notes, the Class D Notes, the Class E Notes and the Class Z Notes. Payments of principal on the Class C Notes will rank in priority to payments of principal on the Class D Notes, the Class E Notes and the Class Z Notes. Payments of principal on the Class D Notes will rank in priority to payments of principal on the Class E Notes and the Class Z Notes. Payments of principal on the Class E Notes will rank in priority to payments of principal on the Class Z Notes.

5.6 **Priority of Additional Note Payments**

Payments of Additional Note Payments on the Class C Notes will rank in priority to payments of Additional Note Payments on the Class D Notes and the Class E Notes; payments of Additional Note Payments on

the Class D Notes will rank in priority to payments of Additional Note Payments on the Class E Notes, in accordance with the Pre-Enforcement Revenue Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

5.7 **Priority of Payments**

Prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Revenue Receipts and Available Principal Receipts in accordance with the Pre-Enforcement Revenue Priority of Payments and Pre-Enforcement Principal Priority of Payments (as applicable) and thereafter, in accordance with the Post-Enforcement Priority of Payments.

6 **SECURITY**

6.1 **Security**

The Notes are secured by the Security.

6.2 **Enforceability**

The Security will become enforceable upon the delivery by the Trustee of an Enforcement Notice in accordance with Condition 13 (*Events of Default*) and subject to the matters referred to in Condition 14 (*Enforcement*).

7 **ISSUER COVENANTS**

The Issuer makes the Issuer Covenants in favour of the Trustee which, amongst other things, restrict the ability of the Issuer to create or incur any indebtedness (save as permitted in the Trust Deed), dispose of assets or change the nature of its business, without the prior written consent of the Trustee. So long as any Note remains outstanding, the Issuer shall comply with the Issuer Covenants.

8 **INTEREST AND ADDITIONAL NOTE PAYMENTS**

8.1 **Accrual of Interest and Additional Note Payments**

8.1.1 Each Note bears interest on its Principal Amount Outstanding, from (and including) the Closing Date.

8.1.2 Each of the Class C Notes, the Class D Notes and the Class E Notes then outstanding shall accrue an Additional Note Payment from (and including) the Step-Up Date.

8.2 **Cessation of Interest and Additional Note Payments**

8.2.1 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 principal is improperly withheld or refused or default is otherwise made in respect of the payment, in which case, it will continue to bear interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of:

(a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and

(b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders of such class (in accordance with Condition 22 (*Notices*)) that the full amount payable is available for collection by the Noteholder, provided that on due presentation payment is in fact made.

8.2.2 Each of the Class C Notes, the Class D Notes and the Class E Notes (or, in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear its respective Additional Note Payment from its due date for redemption unless, upon due presentation, payment of the principal is improperly withheld or refused or default is otherwise made in respect of the payment, in which case, it will continue to bear interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of

- (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and
- (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders of such class (in accordance with Condition 22 (*Notices*)) that the full amount payable is available for collection by the Noteholder, provided that on due presentation payment is in fact made.

8.3 Interest Payments

8.3.1 Interest on each Note (other than the Class Z Notes) is payable in Euros in arrear on each Interest Payment Date commencing on the First Interest Payment Date, in an amount equal to the Interest Amount in respect of such Note for the Interest Period ending on the day immediately preceding such Interest Payment Date.

8.3.2 Interest on the Class Z Notes is payable in Euros in arrear on each Interest Payment Date commencing on the First Interest Payment Date, in an amount equal to the Class Z Note Interest Amount in respect of such Class Z Note for the Interest Period ending on the day immediately preceding such Interest Payment Date.

8.4 Calculation of Interest Amount

Upon or as soon as practicable after each Interest Determination Date, the Issuer shall calculate (or shall cause the Reference Agent to calculate) the Interest Amount payable on each relevant Note for the related Interest Period.

8.5 Determination of Note Rate, Interest Amount (or Class Z Note Interest Amount) and Interest Payment Date

The Issuer shall procure (or shall cause the Reference Agent to determine), on each Interest Determination Date, a determination of:

- 8.5.1 the Note Rate for each relevant class for the related Interest Period;
- 8.5.2 the Interest Amount for each relevant class for the related Interest Period;
- 8.5.3 the Class Z Note Interest Amount for the related Interest Period; and
- 8.5.4 the Interest Payment Date following the related Interest Period;

and notify the Issuer, the Administrator, the Cash Manager, the Trustee, the Registrar and the Paying Agents and for so long as the Notes are listed on Euronext Dublin, Euronext Dublin.

8.6 Determination of Additional Note Payments

Upon each Interest Determination Date (from and including the Interest Determination Date immediately after the Step-Up Date) the Issuer shall determine (or shall cause the Reference Agent to determine) the amount of each Additional Note Payment (the "**Additional Note Payment Amounts**") in respect of each of the Class C Notes, the Class D Notes and the Class E Notes for the immediately preceding Interest Period

and notify the Issuer, the Administrator, the Cash Manager, the Trustee, the Registrar and the Paying Agents and for so long as the Notes are listed on Euronext Dublin, Euronext Dublin.

For the purposes of determining any Additional Note Payment Amount in accordance with this Condition 8.6 (*Determination of Additional Note Payments*), the following calculations apply:

8.6.1 **Current Additional Note Payment**

An amount (rounded downwards to the nearest cent) equal to the product of:

$$A \times B \times (C/D)$$

Where:

A = Relevant Additional Note Payment Margin

B = the Principal Amount Outstanding of the relevant Class of Notes as at the immediately preceding Interest Payment Date (taking into account redemptions (if any) on that Interest Payment Date)

C = the number of days in the relevant Interest Period

D = 360

8.6.2 **Unpaid Additional Note Payment Interest Amount**

An amount (rounded downwards to the nearest cent) equal to the product of:

$$A \times (B + C + D) \times (E/F)$$

Where:

A = in respect of any relevant Interest Period, the aggregate of all Unpaid Additional Note Payments of the relevant Class of Notes which remain unpaid by the Issuer on the immediately preceding Interest Payment Date (taking into account any amount paid on that Interest Payment Date)

B = Relevant Additional Note Payment Margin

C = Relevant Screen Rate

D = Relevant Margin

E = the number of days in the relevant Interest Period

F = 360

8.7 **Publication of Note Rate, Interest Amount (or Class Z Note Interest Amount), Additional Note Payment Amounts and Interest Payment Date**

As soon as practicable after receiving each notification of the Note Rate, the Interest Amount, the Class Z Interest Amount, the Additional Note Payment Amounts (if any) and the Interest Payment Date in accordance with Condition 8.6 (*Determination of Note Rate, Interest Amount (or Class Z Note Interest Amount), Additional Note Payment Amounts and Interest Payment Date*) and in any event no later than the second Business Day thereafter, the Issuer will cause such Note Rate, Class Z Note Interest Amount, the Additional Note Payment Amounts (if any) and Interest Amount for each class and the following Interest Payment Date to be published in accordance with the Notices Condition.

8.8 Amendments to Publications

The Note Rate, the Interest Amount for each relevant class, the Class Z Interest Amount, the Additional Note Payment Amounts (if any) and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the relevant Interest Period.

8.9 Determination or Calculation by Issuer

If the Reference Agent does not at any time for any reason determine the Note Rate or the Interest Amount for each relevant class or the Additional Note Payment Amounts (if any) in accordance with this Condition 8 (*Interest*), the Issuer or an appointee on its behalf may:

- 8.9.1 determine the Note Rate for each relevant class at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in this Condition), it shall deem fair and reasonable in all the circumstances; and/or
- 8.9.2 calculate the Interest Amount for each relevant class and the Additional Note Payment Amounts (if any) in the manner specified in this Condition.

8.10 Notifications to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8 (*Interest*), whether by the Reference Banks (or any of them), the Paying Agents, the Registrar, the Reference Agent or the Trustee shall (in the absence of any manifest error) be binding on the Issuer and all Noteholders and no liability to the Noteholders shall attach to the Reference Banks, the Agents or the Registrar in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions under this Condition 8 (*Interest*).

8.11 Reference Banks and Reference Agent

The Issuer shall ensure that, so long as any of the Notes remains outstanding there shall at all times be a Reference Agent, a Paying Agent and a Principal Paying Agent. The Reference Agent shall ensure that, so long as any of the Notes remains outstanding that it shall select four Reference Banks at the relevant time. The Reference Agent may not resign until a successor approved in writing by the Trustee is appointed by the Issuer. Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with the Notices Condition.

8.12 Deferral of Interest and Additional Note Payments and insufficient funds to pay the Class Z Note Interest Amount

- 8.12.1 To the extent that funds available to the Issuer to pay interest on the Notes of any class (other than the Class A Notes) on an Interest Payment Date are insufficient to pay the full amount of such interest, payment of the shortfall in respect of such class of Notes ("**Deferred Interest**") will not then fall due but will instead be deferred until the first Interest Payment Date thereafter on which funds are available to the Issuer (after allowing for the Issuer's liabilities of higher priority and subject to and in accordance with these Conditions) to fund the payment of such Deferred Interest to the extent of such available funds.
- 8.12.2 Such Deferred Interest will accrue interest ("**Additional Interest**") at the rate of interest applicable from time to time to such Notes (as determined by this Condition 8 (*Interest*)) and payment of any Additional Interest will also be deferred until the first Interest Payment Date thereafter on which funds are available (subject to and in accordance with these Conditions) to the Issuer to pay such Additional Interest to the extent of such available funds.

- 8.12.3 If, on any Interest Payment Date after the Step-Up Date, the Issuer has insufficient funds to make payment in full of all amounts in respect of Additional Note Payment Amounts, (including interest (if any) accrued but unpaid and/or deferred pursuant to this Condition 8.12.3 and accrued interest thereon) payable in respect of the Class C Notes, the Class D Notes and the Class E Notes after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Priority of Payments, then the Issuer shall defer payment of the relevant Additional Note Payment Amount (which shall accrue interest as calculated in accordance with Condition 8.6.2) until the next Interest Payment Date.
- 8.12.4 Payment of any amounts of Deferred Interest, Additional Interest and any Additional Note Payments shall not be deferred beyond the Final Maturity Date or beyond any earlier date on which each respective class of Notes falls to be redeemed in full in accordance with Condition 9 (*Final Redemption, Mandatory Redemption in part, Optional Redemption and Cancellation*) and any such amount which has not then been paid in respect of the relevant class of Notes shall thereupon become due and payable in full.
- 8.12.5 Where the Issuer has insufficient proceeds available to meet its obligations senior to the Class Z Note Interest Amount, the amount due in respect of the Class Z Note Interest Amount shall be zero.

8.13 Determinations and Reconciliation

- 8.13.1 In the event that the Cash Manager does not receive an Administrator Report with respect to a Calculation Period (the "**Determination Period**"), then the Cash Manager may use the Administrator Report in respect of the three most recent Calculation Periods (or, where there are not at least three previous Administrator Reports, any previous Administrator Reports) for the purposes of calculating the amounts available to the Issuer to make payments, as set out in this Condition 8.13 (*Determinations and Reconciliation*). When the Cash Manager receives the Administrator Report relating to the Determination Period, it will make the reconciliation calculations and reconciliation payments as set out in Condition 8.13.3. Any (i) calculations properly done on the basis of such estimates in accordance with Conditions 8.13.2 and/or 8.13.3; (ii) payments made under any of the Notes and Transaction Documents in accordance with such calculations; and (iii) reconciliation calculations and reconciliation payments made as a result of such reconciliation calculations, each in accordance with Condition 8.13.2 and/or 8.13.3, shall be deemed to be done, in accordance with the provisions of the Transaction Documents and will in themselves not lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.
- 8.13.2 In respect of any Determination Period the Cash Manager shall:
- (a) determine the Interest Determination Ratio by reference to the three most recently received Administrator Reports (or, where there are not at least three previous Administrator Reports, any previous Administrator Reports received in the preceding Calculation Periods);
 - (b) calculate the Revenue Receipts for such Determination Period as the product of (i) the Interest Determination Ratio and (ii) all collections received by the Issuer during such Determination Period (the "**Calculated Revenue Receipts**");
 - (c) calculate the Principal Receipts for such Determination Period as the product of (i) 1 minus the Interest Determination Ratio and (ii) all collections received by the Issuer during such Determination Period (the "**Calculated Principal Receipts**").
- 8.13.3 Following any Determination Period, upon receipt by the Cash Manager of the Administrator Reports in respect of such Determination Period, the Cash Manager shall reconcile the calculations made in accordance with Condition 8.13.2 above to the actual collections set out in the Administrator Reports by allocating the Reconciliation Amount as follows:

- (a) If the Reconciliation Amount is a positive number, the Cash Manager shall apply an amount equal to the lesser of (i) the absolute value of the Reconciliation Amount and (ii) the amount standing to the credit of the Revenue Ledger, as Principal Receipts (with a corresponding debit of the Revenue Ledger);
- (b) If the Reconciliation Amount is a negative number, the Cash Manager shall apply an amount equal to the lesser of (i) the absolute value of the Reconciliation Amount and (ii) the amount standing to the credit of the Principal Ledger, as Revenue Receipts (with a corresponding debit of the Principal Ledger),

provided that the Cash Manager shall apply such Reconciliation Amount in determining Available Revenue Receipts and Available Principal Receipts for such Calculation Period in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Trustee of such Reconciliation Amount.

9 FINAL REDEMPTION, MANDATORY REDEMPTION IN PART, OPTIONAL REDEMPTION AND CANCELLATION

9.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided in this Condition 9 (*Final Redemption, Mandatory Redemption in part, Optional Redemption and Cancellation*), the Issuer shall redeem the Notes in each class at their Principal Amount Outstanding together with any accrued interest on the Final Maturity Date.

9.2 Mandatory Redemption in part prior to the service of an Enforcement Notice

On each Interest Payment Date prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Principal Receipts towards the redemption of the Notes to the extent that there are such amounts available to do so in accordance with the Pre-Enforcement Principal Priority of Payments.

9.3 Mandatory Redemption in full on the exercise of the Portfolio Option

The Issuer shall redeem all (but not some only) of the Notes in each class:

- 9.3.1 on the Portfolio Option Completion Date following the sale of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio in accordance with the provisions of the Deed Poll, on giving not more than 60 nor less than 2 days' notice to the Trustee and the Noteholders in accordance with the Notices Condition, where the Option Purchase Price, together with any Available Principal Receipts and Available Revenue Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the Portfolio Option Completion Date will be used to redeem each Note in accordance with the relevant Priority of Payments at an amount equal to the Principal Amount Outstanding of such Note together with accrued (and unpaid) interest, Deferred Interest and any Additional Note Payments up to, but excluding, such Portfolio Option Completion Date. Any funds remaining after the payment in full of all items ranking senior to the Class Z Notes shall be paid to the Class Z Noteholders before the Class Z Notes are redeemed in full; or
- 9.3.2 on any Interest Payment Date following the sale of the Mortgage Loans and their Related Security comprising the Mortgage Portfolio in accordance with the provisions of the Deed Poll where the aggregate Principal Amount Outstanding of the Rated Notes was equal to or less than 10 per cent. of the aggregate Principal Amount Outstanding of the Rated Notes on the Closing Date, on giving not more than 60 nor less than 14 days' notice to the Trustee and the Noteholders in accordance with the Notices Condition, where the Option Purchase Price together with any Available Revenue Receipts and Available Principal Receipts otherwise available to the Issuer for application on the Interest Payment Date falling on or immediately following the

Portfolio Option Completion Date will be used to redeem each Note in accordance with the relevant Priority of Payments at an amount equal to the Principal Amount Outstanding of such Note together with together with accrued (and unpaid) interest, Deferred Interest and any Additional Note Payments up to, but excluding, such Interest Payment Date. Any funds remaining after the payment in full of all items ranking senior to the Class Z Notes shall be paid to the Class Z Noteholders before the Class Z Notes are redeemed in full.

9.4 **Optional Redemption in full for taxation or other reasons**

The Issuer may redeem all (but not some only) of the Notes in each class at their Principal Amount Outstanding together with accrued (and unpaid) interest and Deferred Interest, on any Interest Payment Date:

- 9.4.1 after the date on which, by virtue of a change in Tax law (or the application or official interpretation of Tax law), if the Issuer (or the Paying Agents on the Issuer's behalf) were to make any payment in respect of the Notes, the Issuer (or the Paying Agents on the Issuer's behalf) would be required to make a Tax Deduction in respect of such relevant payment; or
- 9.4.2 after the date on which, by virtue of a change in the Tax law (or the application or official interpretation of Tax law), the Issuer would be subject to Irish corporation tax in an accounting period on an amount which materially exceeds the aggregate Issuer Profit Amount retained during that accounting period; or
- 9.4.3 after the date on which the Class A Notes have been redeemed in full,

subject to the following:

- (a) no Enforcement Notice has been delivered by the Trustee;
- (b) that the Issuer has given not more than 60 nor less than 14 days' notice to the Trustee and the Noteholders in accordance with the Notices Condition of its intention to redeem all (but not some only) of the Notes in each class; and
- (c) that prior to giving any such notice, the Issuer has provided to the Trustee:
 - (i) in the case of 9.4.1 above only, a legal opinion (in form and substance satisfactory to the Trustee) from a firm of lawyers in the applicable jurisdiction (approved in writing by the Trustee), opining on the relevant change in Tax law; and
 - (ii) in the case of 9.4.1 above only, a certificate signed by two directors of the Issuer to the effect that the obligation to make a Tax Deduction cannot be avoided; and
 - (iii) in the case of 9.4.1, 9.4.2 and 9.5.3 above only, a certificate signed by two directors of the Issuer to the effect that it will have the funds on the relevant Interest Payment Date, not subject to the interest of any other person, required to redeem the Notes pursuant to this Condition and meet its payment obligations of a higher priority under the Pre-Enforcement Principal Priority of Payments.

A "**Redemption Event**" shall occur if the Issuer satisfies the Trustee immediately before giving the notice referred to below that one or more of the events described in Condition 9.4.1, 9.4.2 or 9.4.3 is continuing.

On any Interest Payment Date on which the Mortgage Loans and their Related Security comprising the Mortgage Portfolio are sold pursuant to the Deed Poll following the occurrence of a Redemption Event, the Option Purchase Price received by the Issuer will be applied as Available Principal Receipts together with additional Available Principal Receipts and Available Revenue Receipts in accordance with the Post-Enforcement Priority of Payments with the result that the Rated Notes will be redeemed in full in

accordance with Condition 9.3 (*Mandatory Redemption in full on the exercise of the Portfolio Option*). The Issuer shall give not more than 60 days' nor less than 2 days' notice to the Trustee and the Noteholders in accordance with the Notices Condition of any such redemption.

9.5 **Calculation of Note Principal Payment, Principal Amount Outstanding and Pool Factor**

On each Calculation Date, the Issuer shall calculate (or cause the Cash Manager to calculate):

- 9.5.1 the aggregate of any Note Principal Payment due in relation to each class of Note on the Interest Payment Date immediately succeeding such Calculation Date;
- 9.5.2 the Principal Amount Outstanding of each class of Note on the Interest Payment Date immediately succeeding such Calculation Date (after deducting any Note Principal Payment due to be made on that Interest Payment Date in relation to such class); and
- 9.5.3 the fraction expressed as a decimal to the sixth point (the "**Pool Factor**"), of which the numerator is the Principal Amount Outstanding of a class of Note (as referred to in Condition 9.5.2 above) and the denominator is the principal amount of that class of Note on issue expressed as an entire integer, and notify the Issuer, the Trustee, the Paying Agents, the Reference Agent, the Registrar and for so long as the Notes are listed on Euronext Dublin, Euronext Dublin by not less than two Business Days prior to the relevant Interest Payment Date.

9.6 **Calculations final and binding**

Each calculation by or on behalf of the Issuer of any Note Principal Payment, the Principal Amount Outstanding of each class of Note and the Pool Factor shall in each case (in the absence of manifest error) be final and binding on all persons.

9.7 **Trustee to determine amounts in case of Issuer default**

If the Issuer does not at any time for any reason calculate (or cause the Cash Manager to calculate) any Note Principal Payment, the Principal Amount Outstanding in relation to each class or the Pool Factor in accordance with this Condition, such amounts may be calculated by the Trustee (without any liability to any person accruing to the Trustee as a result) in accordance with this Condition (based on information supplied to it by the Issuer or the Cash Manager) and each such calculation shall be deemed to have been made by the Issuer. In each case, the Trustee may, at the expense of the Issuer employ an expert to make such calculations and any such calculations shall be deemed to have been made by the Issuer.

9.8 **Conclusiveness of certificates and legal opinions**

Any certificate and legal opinion given by or on behalf of the Issuer pursuant to Condition 9.4 (*Optional Redemption in full for taxation or other reasons*) may be relied on by the Trustee without further investigation, without liability to any other person and shall be conclusive and binding on the Noteholders, the Trustee and on the other Secured Creditors.

9.9 **Notice of Calculation**

The Issuer will cause each calculation of a Note Principal Payment, Principal Amount Outstanding in relation to each class and the Pool Factor to be notified immediately after calculation to the Trustee, the Agents and, for so long as the Notes are listed on Euronext Dublin, Euronext Dublin and will immediately cause details of each calculation of a Note Principal Payment, Principal Amount Outstanding in relation to each class and the Pool Factor to be published in accordance with the Notices Condition by no later than two Business Days prior to each Interest Payment Date.

9.10 **Notice irrevocable**

Any such notice as is referred to in Condition 9.4 (*Optional Redemption in whole for taxation or other reasons*) shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes to which such notice relates at their Principal Amount Outstanding if effected pursuant to Condition 9.4 (*Optional Redemption in full for taxation or other reasons*) and in an amount equal to the Note Principal Payment in respect of each Note calculated as at the related Calculation Date if effected pursuant to Condition 9.2 (*Mandatory Redemption in part prior to the service of an Enforcement Notice*).

9.11 **Cancellation or redeemed Notes**

All Notes redeemed in full will be cancelled forthwith by the Issuer and may not be reissued or resold.

10 **LIMITED RECOURSE**

10.1 If at any time following:

10.1.1 the occurrence of either:

- (a) the Final Maturity Date or any earlier date upon which all of the Notes of each class are due and payable; or
- (b) the service of an Enforcement Notice; and

10.1.2 realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Priority of Payments;

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Priority of Payments, to pay in full all amounts then due and payable under any class of Notes then the amount remaining to be paid (after such application in full of the amounts first referred to in Condition 10.1.2) under such class of Notes (and any class of Notes junior to that class of Notes) shall, on the day following such application in full of the amounts referred to in Condition 10.1.2, cease to be due and payable by the Issuer and any liability of the Issuer in this respect shall be extinguished. For the purposes of this Condition 10, "**Realisation**" means, in relation to any Charged Property, the deriving, to the fullest extent practicable, (in accordance with the provisions of the Transaction Documents) of proceeds from or in respect of such Charged Property including (without limitation) through sale or through performance by an obligor.

11 **PAYMENTS**

11.1 **Principal, interest and Additional Note Payments**

Payments of principal, interest (and, where applicable, Class Z Note Interest Amounts) and any Additional Note Payments shall be made by cheque drawn in Euros or, upon application by a Noteholder to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for payment, by transfer to an account in Euros, maintained by the payee with a bank in London and (in the case of final redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Notes at the Specified Office of any Paying Agent in accordance with the terms of the Agency Agreement.

11.2 **Record date**

Each payment in respect of a Note will be made to the person shown as the Noteholder 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 Noteholder in the Register at the opening of business on the relevant Record Date. The person shown in the Register at the opening of business on the relevant Record Date in respect of a Note shall be the only person entitled to receive payments in respect of Notes represented by such Note and the Issuer will be discharged by payment to, or to the order of, such person in respect of each amount so paid.

11.3 **Payments subject to fiscal laws**

All payments in respect of the Notes are subject in each case to any applicable fiscal or other laws and regulations. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

11.4 **Partial Payments**

If the Principal 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 a Note, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note.

11.5 **Payments on Business Days**

If the due date for payment of any amount in respect of any Note is not a Business Day, then the holder shall not be entitled to payment until the next succeeding Business Day and no further payments of additional amounts by way of interest, principal or otherwise shall be due in respect of such Note.

12 **TAXATION**

12.1 **Payments free of Tax**

All payments of principal, interest (and, in the case of the Class Z Notes, the Class Z Note Interest Amount) and any Additional Note Payments in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any Taxes imposed, levied, collected, withheld or assessed by the Issuer Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, unless the Issuer, the Trustee or the Paying Agents (as the case may be) are required by law to make any Tax Deduction. In that event, the Issuer, the Trustee or the Paying Agents (as the case may be) shall make such payments after such Tax Deduction and shall account to the relevant authorities for the amount so withheld or deducted. Notwithstanding any other provision in these Conditions, the Issuer, the Trustee and the Paying Agent shall be permitted to withhold or deduct any amounts required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any amended or successor provisions), any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA withholding**").

12.2 **No payment of additional amounts**

Neither the Issuer, the Trustee nor the Paying Agents will be obliged to pay any additional amounts to the Noteholders as a result of any such Tax Deduction. None of the Issuer, the Trustee or the Paying Agent shall have any obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, the Trustee, a Paying Agent or any other party as a result of any person not being entitled to receive payments free of FATCA withholding.

12.3 **Provision of Information**

Each Noteholder agrees or is deemed to agree that the Issuer and any other relevant party on its behalf may (1) request such forms, self-certifications, documentation and any other information from the Noteholder which the Issuer may require in order for it to comply with its automatic exchange of information

obligations under, for example, FATCA and CRS (2) provide any such information or documentation collected from an investor and any other information concerning any investment in the Notes to the relevant tax authorities and (3) take such other steps as they deem necessary or helpful to comply with its automatic exchange obligations under any applicable law.

13 EVENTS OF DEFAULT

13.1 Subject to the other provisions of this Condition, each of the following events shall be treated as an "**Event of Default**":

13.1.1 *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Most Senior Class of Notes within seven days following the due date for payment of such principal or fails to pay any amount of interest in respect of the Class A Notes within fourteen days following the due date for payment of such interest (provided that, for the avoidance of doubt, a deferral of interest in respect of a class of Notes (other than the Class A Notes) in accordance with Condition 8.12 (*Interest Deferral and insufficient funds to pay the Class Z Note Interest Amount*) shall not constitute a default in the payment of such interest for the purposes of this Condition 13 (*Events of Default*)); or

13.1.2 *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Most Senior Class of Notes, the Issuer Covenants, the Trust Deed, the Deed of Charge or any of the other Transaction Documents and such default (a) is, in the opinion of the Trustee, incapable of remedy or (b) is, in the opinion of the Trustee, capable of remedy, but remains unremedied for 30 days after the Trustee has given written notice of such default to the Issuer; or

13.1.3 an Insolvency Event in respect of the Issuer occurs; or

13.1.4 it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or Trust Documents or any of the other Transaction Documents.

13.2 Delivery of Enforcement Notice

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

13.2.1 if so requested in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of Notes outstanding; or

13.2.2 if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes outstanding;

deliver an Enforcement Notice to the Issuer.

13.3 Conditions to delivery of Enforcement Notice

Notwithstanding Condition 13.2 (*Delivery of Enforcement Notice*) the Trustee shall not be obliged to deliver an Enforcement Notice unless:

13.3.1 in the case of the occurrence of any of the events mentioned in Condition 13.1.2 (*Breach of other obligations*) the Trustee shall have certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the Noteholders of the Most Senior Class of Notes outstanding; and

13.3.2 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.

13.4 Consequences of delivery of Enforcement Notice

Upon the delivery of an Enforcement Notice, the Notes of each class shall become immediately due and payable, without further action or formality, at their Principal Amount Outstanding together with any accrued interest, Deferred Interest and any Additional Note Payments.

14 ENFORCEMENT

14.1 Proceedings

The Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes of each class (including these Conditions), the Deed of Charge or under the other Transaction Documents or to enforce the Security, but it shall not be bound to do so unless:

14.1.1 so requested in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class of outstanding Notes; or

14.1.2 so directed by an Extraordinary Resolution of the Noteholders of the Most Senior Class of outstanding Notes,

and in any such case, only if 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.

14.2 Directions to the Trustee

If the Trustee shall take any action, step or proceeding described in Condition 14.1 (*Proceedings*) it may take such action, step or proceeding without having regard to the effect of such action on individual Noteholders or any other Secured Creditor, provided that so long as any of the Most Senior Class of Notes are outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Noteholders of any other class of Notes unless:

14.2.1 to do so would not, in its opinion, be materially prejudicial to the interests of the Noteholders of the classes of Notes ranking senior to such other class; or

14.2.2 (if the Trustee is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the Noteholders of the Notes ranking senior to such other class.

14.3 Restrictions on disposal of Issuer's assets

If an Enforcement Notice has been delivered by the Trustee otherwise than by reason of non-payment of any amount due in respect of the Notes, the Trustee will not be entitled to dispose of the Charged Property or any part thereof unless either:

14.3.1 the Cash Manager certifies to the Trustee that a sufficient amount would be realised to allow payment in full of all amounts owing to the Noteholders of each class after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments; or

14.3.2 the Trustee is of the opinion, which shall be binding on the Noteholders and the other Secured Creditors, reached solely in reliance upon the advice of an investment bank or other financial adviser selected by the Trustee, (and if the Trustee is unable to obtain such advice having made reasonable efforts to do so this Condition 14.3.2 shall not apply) that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each class after

payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Priority of Payments and the Trustee shall have no liability to any person for the consequences of any such opinion reached in accordance with this Condition 14.3.2; and

- 14.3.3 the Trustee shall not be bound to make the determination, or seek the advice of an investment bank or other financial adviser, contained in Condition 14.3.2 unless the Trustee 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 and shall have no liability to anyone for not so doing.

15 **NO ACTION BY NOTEHOLDERS OR ANY OTHER SECURED CREDITOR**

- 15.1 Only the Trustee may pursue the remedies available under the general law or under the Trust Documents to enforce the Security and no Noteholder or other Secured Creditor shall be entitled to proceed directly against the Issuer to enforce the Security. In particular, none of the Noteholders or any other Secured Creditor (nor any person on its or their behalf, other than the Trustee where appropriate) are entitled:

15.1.1 otherwise than as permitted by these Conditions, to direct the Trustee to enforce the Security or take any proceedings against the Issuer to enforce the Security;

15.1.2 to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due by the Issuer to such Noteholders or any other Secured Creditors;

15.1.3 until the date falling two years after the Final Discharge Date, to initiate or join any person in initiating any insolvency proceeding in relation to the Issuer; or

15.1.4 to take or join in the taking of any steps or proceedings which would result in the Priority of Payments not being observed.

16 **MEETINGS OF NOTEHOLDERS**

16.1 **Convening**

The Trust Deed contains "*Provisions for Meetings of Noteholders*" for convening separate or combined meetings of Noteholders of any class to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Trust Deed, which modification may be made if sanctioned by an Extraordinary Resolution.

16.2 **Separate and combined meetings**

The Trust Deed provides that:

16.2.1 an Extraordinary Resolution which in the opinion of the Trustee affects the interests of the holders of the Notes of only one class shall be transacted at a separate meeting of the holders of the Notes of that class;

16.2.2 an Extraordinary Resolution which in the opinion of the Trustee affects the Noteholders of more than one class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one class of Notes and the holders of another class of Notes shall be transacted either at separate meetings of the Noteholders of each such class or at a single meeting of the Noteholders of all such classes of Notes as the Trustee shall determine in its absolute discretion; and

16.2.3 an Extraordinary Resolution which in the opinion of the Trustee affects the Noteholders of more than one class of Notes and gives rise to any actual or potential conflict of interest between the

Noteholders of one class of Notes and the Noteholders of any other class of Notes shall be transacted at separate meetings of the Noteholders of each such class.

Other than an Extraordinary Resolution of the Class Z Noteholders directing the termination of the appointment of the Administrator, no Extraordinary Resolution of the Class Z Noteholders shall take effect for any purpose while any Class A Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes remain outstanding unless it shall have been sanctioned by an Extraordinary Resolution of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders or the Trustee is of the opinion that it would not be materially prejudicial to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and the Class E Noteholders as applicable.

16.3 Extraordinary Resolution of the Class Z Noteholders directing termination of appointment of Administrator

The Trust Deed provides that the holders of the Class Z Notes may by an Extraordinary Resolution direct the Issuer (prior to the delivery of an Enforcement Notice) or the Trustee (following delivery of an Enforcement Notice) to terminate the appointment of the Administrator on a date specified in the Extraordinary Resolution.

16.4 Request from Noteholders

A meeting of Noteholders of a particular class may be convened by the Trustee or the Issuer at any time and must be convened by the Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders of a particular class holding not less than ten per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes of that class. However, so long as no Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any action, either directly or indirectly through the Trustee, without consent of the Issuer and, if applicable, certain other Transaction Parties pursuant to any relevant Transaction Documents, unless the Issuer has an obligation to take such action under the relevant Transaction Documents.

16.5 Quorum

The quorum at any meeting convened to vote on:

16.5.1 an Extraordinary Resolution, other than regarding a Reserved Matter, relating to a meeting of a particular class or classes of the Notes will be one or more persons holding or representing, in aggregate, a majority of the Principal Amount Outstanding of the outstanding Notes in that class or those classes or, at any adjourned meeting, one or more persons being or representing Noteholders of that class or those classes, whatever the Principal Amount Outstanding of the outstanding Notes so held or represented in such class or classes; and

16.5.2 an Extraordinary Resolution relating to a Reserved Matter (which must be proposed separately to each class of Noteholders) will be one or more persons holding or representing in aggregate not less than 75 per cent. of the Principal Amount Outstanding of the outstanding Notes in the relevant class or classes or, at any adjourned meeting, one or more persons holding or representing not less than in aggregate 25 per cent. of the Principal Amount Outstanding of the outstanding Notes in the relevant class or classes.

16.6 Relationship between classes

In relation to each class of Notes:

16.6.1 no Extraordinary Resolution involving a Reserved Matter that is passed by the holders of one class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the

holders of each of the other classes of Notes (to the extent that there are outstanding Notes in each such other classes);

- 16.6.2 other than an Extraordinary Resolution of the Class Z Noteholders directing the termination of the appointment of the Administrator, no Extraordinary Resolution to approve any matter other than a Reserved Matter of any class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other classes of Notes ranking senior to such class (to the extent that there are outstanding Notes ranking senior to such class);
- 16.6.3 any resolution passed at a Meeting of Noteholders of one or more classes of Notes duly convened and held in accordance with the Trust Deed shall be binding upon all Noteholders of such class or classes, whether or not present at such Meeting and whether or not voting; and
- 16.6.4 except in the case of a meeting relating to a Reserved Matter, any resolution passed at a meeting of the holders of the Most Senior Class of Notes duly convened and held as aforesaid shall also be binding upon the holders of all the other classes of Notes.

16.7 Resolutions in writing

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

17 MODIFICATION AND WAIVER

17.1 Modification

The Trustee may at any time and from time to time, without the consent or sanction of the Noteholders or any of the other Secured Creditors (other than those Secured Creditors who are party to the relevant Transaction Documents) concur with the Issuer and any other relevant parties in making:

- 17.1.1 any modification to these Conditions, the Trust Documents, the Notes or the other Transaction Documents in relation to which its consent is required (other than in respect of a Reserved Matter or any provision of the Trust Documents referred to in the definition of a Reserved Matter) which, in the opinion of the Trustee, will not be materially prejudicial to the interests of the holders of the Most Senior Class of Notes then outstanding;
- 17.1.2 any modification to these Conditions, the Trust Documents, the Notes or the other Transaction Documents (including a Reserved Matter) in relation to which its consent is required, if, in the opinion of the Trustee, such modification is of a formal, minor or technical nature or is made to correct a manifest error,

provided that the Trustee will not do so in contravention of an express direction given by an Extraordinary Resolution of holders of the Most Senior Class made pursuant to Condition 16 (*Meetings of Noteholders*).

17.2 Additional Right of Modification

Notwithstanding the provisions of Condition 17.1 (*Modification*), the Trustee shall be obliged, without any consent or sanction of the Noteholders, or the other Secured Creditors but subject to the receipt of written consent from any of the Secured Creditors party to the Transaction Document being modified, to concur with the Issuer in making any modification (other than in respect of a Reserved Matter or any provision of the Trust Documents referred to in the definition of a Reserved Matter) to these Conditions or any other Transaction Document that the Issuer considers necessary:

- 17.2.1 for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that the Issuer certifies in writing to the Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and

- 17.2.2 in order to enable the Issuer to comply with any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) ("**EMIR**"), provided that the Issuer certifies to the Trustee in writing that such modification is required solely for the purpose of enabling it to satisfy such obligation and has been drafted solely to such effect;
- 17.2.3 for the purpose of complying with any changes in the requirements of the Securitisation Regulation, including as a result of the adoption of regulatory technical standards in relation to the Securitisation Regulation, or any other risk retention legislation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- 17.2.4 for the purpose of enabling the Notes to be (or to remain) listed on Euronext Dublin, provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- 17.2.5 for the purposes of enabling the Issuer to comply with FATCA and/or CRS (or any voluntary agreement entered into with a taxing authority in relation thereto), provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- 17.2.6 for the purpose of complying with any changes in the requirements of the CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the CRA Regulation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the 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 or the relevant Transaction Party, as the case may be, pursuant to paragraphs 17.2.1 to 17.2.7 above being a "**Modification Certificate**"),

- 17.2.7 for the purpose of changing the base rate in respect of the Notes from EURIBOR to an alternative base rate (any such rate, an "**Alternative Base Rate**") and make such other amendments to these Conditions or any other Transaction Documents as are necessary or advisable in the reasonable judgement of the Issuer to facilitate such change (a "**Base Rate Modification**"), provided that the Administrator, on behalf of the Issuer, certifies to the Trustee in writing (such certificate, a "**Base Rate Modification Certificate**") that:

- (a) the Base Rate Modification is being undertaken due to any one or more of the following:
- (i) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published;
 - (ii) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);
 - (iii) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR);
 - (iv) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner;

- (v) a public statement by the supervisor of the EURIBOR administrator that means EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or
 - (vi) the reasonable expectation of the Issuer that any of the events specified in subparagraphs (i) to (v) above will occur or exist within six months of the proposed effective date of such Base Rate Modification; and
- (b) the Alternative Base Rate is any one or more of the following:
- (i) a base rate published, endorsed, approved or recognised by the European Central Bank, any regulator in the European Union or any stock exchange on which the Notes are listed (or any relevant committee or other body established, sponsored or approved by any of the foregoing);
 - (ii) the Euro Overnight Index Average (or any rate which is derived from, based upon or otherwise similar to, either of the foregoing);
 - (iii) a base rate utilised in a material number of publicly listed new issues of Euro-denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification;
 - (iv) a base rate utilised in a publicly listed new issue of Euro-denominated asset backed floating rate notes where the originator of the relevant assets is an affiliate of the Seller; or
 - (v) such other base rate as the Issuer reasonably determines.

The Trustee is only obliged to concur with the Issuer in making any modification referred to in Conditions 17.2.1 to 17.2.8 (other than in respect of a Reserved Matter) to the Conditions and/or any Transaction Document, provided that:

- (a) other than in the case of a modification pursuant to Condition 17.2.2, at least 30 calendar days' prior written notice of any such proposed modification has been given to the Trustee;
- (b) the Modification Certificate or the Base Rate Modification Certificate (upon which the Trustee may rely absolutely without further enquiry or liability to any person for so doing) in relation to such modification shall be provided to the Trustee both at the time the Trustee is notified of the proposed modification and on the date that such modification takes effect; and
- (c) in relation to a Base Rate Modification, a copy of the written notice provided to Noteholders shall be appended to the Base Rate Modification Certificate; and
- (d) the consent of each Secured Creditor which is party to the relevant Transaction Document has been obtained;
- (e) and provided further that, other than in the case of any modification made pursuant to Condition 17.2.2:
 - (a) either:
 - (i) the Issuer obtains from each of the Rating Agencies written confirmation (or certifies in the Modification Certificate or Base Rate Modification Certificate, as applicable) that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that such

modification would not result in (x) a downgrade, qualification or withdrawal of the then current ratings assigned to any Class of the Notes by such Rating Agency; or

- (i) the Issuer certifies in the Modification Certificate that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Rating Agency or (y) such Rating Agency placing any Notes on rating watch negative (or equivalent); and
- (b) The Issuer certifies in writing to the Trustee (which certification may be in the Modification Certificate or the Base Rate Modification Certificate) that in relation to such modification (I) the Issuer has provided at least 30 days' notice to the Noteholders of each Class of the proposed modification in accordance with the Notices Condition and by publication on Bloomberg on the "Company News" screen relating to the Notes, in each case specifying the date and time by which Noteholders may object to the proposed modification, and has made available at such time the modification documents for inspection at the registered office of the Trustee for the time being during normal business hours, and (II) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders object to the proposed modification.
- (c) If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer in accordance with the notice provided above and the then current practice of any applicable clearing system through which such Notes may be held within the notification period referred to above that they object to the proposed Base Rate Modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with Schedule 3 (*Provisions for Meetings of Noteholders*) of the Trust Deed. Objections made in writing to the Issuer other than through the applicable clearing system must be accompanied by evidence to the Issuer's and the Trustee's satisfaction (having regard to prevailing market practices) of the relevant Noteholder's holding of the Notes.
- (d) Other than where specifically provided in this Condition 17.2 or any Transaction Document:
- (i) when implementing any modification pursuant to this Condition 17.2 (*Additional Right of Modification*) (save to the extent the Trustee considers that the proposed modification would constitute a Reserved Matter), the Trustee shall not consider the interests of the Noteholders, any other Secured Creditor 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 or the relevant Transaction Party, as the case may be, pursuant to this Condition 17.2 (*Additional Right of Modification*) and shall not be liable to the Noteholders, any other Secured Creditor 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 Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the Transaction Documents and/or these Conditions.
- (e) Any Base Rate Modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:

- (i) so long as any Class of Rated Notes rated by the Rating Agencies remains Outstanding, each Rating Agency;
- (ii) the Issuer Secured Creditors; and
- (iii) the Noteholders in accordance with Condition 21 (Notices).

17.3 **Waiver**

In addition, the Trustee may, without the consent of the Noteholders or any other Secured Creditor concur with the Issuer or any other relevant parties in authorising or waiving on such terms and conditions (if any) as it may decide any proposed breach or breach of the covenants or provisions contained in the Trust Documents, the Notes or any of the other Transaction Documents (including an Event of Default or Potential Event of Default) if, in the opinion of the Trustee, the holders of the Most Senior Class of outstanding Notes will not be materially prejudiced by such waiver.

17.4 **Restriction on power to waive**

The Trustee shall not exercise any powers conferred upon it by Condition 17.3 (*Waiver*) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class of outstanding Notes or of a request or direction in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class of outstanding Notes, but so that no such direction or request shall affect any authorisation, waiver or determination previously given or made.

17.5 **IRC Collateral**

The Issuer and the Trustee shall not agree to any amendment to, modification of, or supplement to (and shall procure that there is no amendment to, modification of or supplement to) any of the Transaction Documents, insofar as such amendment, modification or supplement relates to or affects: (a) the IRC Collateral Account Priority of Payments and/or the operation of the IRC Collateral Account (other than in relation to any replacement of the Account Bank, provided such replacement has the required ratings); (b) or the timing or amount of any payments due to be made pursuant to the IRC Collateral Account Priority of Payments or to or from the IRC Collateral Account, in each case, without the prior written consent of the Interest Rate Cap Provider (such consent not to be unreasonably withheld or delayed).

17.6 **Notification**

Unless the Trustee otherwise agrees, the Issuer shall cause any such authorisation, waiver, modification or determination to be notified to the Noteholders and the other Secured Creditors in accordance with the Notices Condition and the Transaction Documents, as soon as practicable after it has been made.

17.7 **Binding Nature**

Any authorisation, waiver, determination or modification referred to in Condition 17.1 (*Modification*) or Condition 17.3 (*Waiver*) shall be binding on the Noteholders and the other Secured Creditors.

The Trustee shall not be obliged to agree to any matter which (including those outlined at Conditions 17.1 to 17.4 above) , in the opinion of the Trustee, would have the effect of exposing the Trustee to any Liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction. The Trustee shall not be held liable for the consequences of exercising its discretion or taking any action, step or proceeding (or not exercising its discretion or taking any action, step or proceeding as the case may be) and may do so without having regard to the effect of such action on individual Noteholders or Secured Creditors.

In the case of a request for consent to a waiver, modification, substitution or any other matter the Trustee shall be entitled to obtain legal, financial or other expert advice, at the expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent as it sees fit.

18 **PRESCRIPTION**

18.1 **Principal**

Claims for principal in respect of Notes shall become void where application for payment is made more than ten years after the due date therefor.

18.2 **Interest or Class Z Note Interest Amounts**

Claims for interest, Class Z Note Interest Amounts or Additional Note Payment Amounts in respect of Notes shall become void where application for payment is made more than five years after the due date therefor.

19 **REPLACEMENT OF NOTES**

If any Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, subject to all applicable laws and Euronext Dublin 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 Notes must be surrendered before replacements will be issued.

20 **TRUSTEE AND AGENTS**

20.1 **Trustee's right to Indemnity**

Under the Transaction Documents, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid or reimbursed for any Liabilities incurred by it in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

20.2 **Trustee not responsible for loss or for monitoring**

The Trustee is not responsible for any loss, expense or liability which may be suffered as a result of the Charged Property or any documents of title thereto being uninsured or inadequately insured or being held by or to the order of the Administrator or by any person on behalf of the Trustee (as applicable). The Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents.

20.3 **Regard to classes of Noteholders**

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will:

20.3.1 have regard to the interests of each class of Noteholders as a class and will not be responsible for any consequence for individual Noteholders as a result of such holders being domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, a particular territory or taxing jurisdiction; and

20.3.2 in the event of a conflict of interests of holders of different classes have regard only to the interests of the holders of the Most Senior Class of outstanding Notes and will not have regard to any lower ranking class of Notes nor, prior to the redemption in full of the Notes, to the interests of the other Secured Creditors except to ensure the application of the Issuer's funds after the

delivery of an Enforcement Notice in accordance with the Post-Enforcement Priority of Payments.

20.4 **Paying Agents solely agents of Issuer**

In acting under the Agency Agreement and in connection with the Notes, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

20.5 **Initial Paying Agents**

The Issuer reserves the right (with the prior written approval of the Trustee) to vary or terminate the appointment of any Agent and to appoint a successor principal paying agent or Reference Agent and additional or successor paying agents at any time, having given not less than 30 days' notice to such Agent.

21 **SUBSTITUTION OF ISSUER**

21.1 **Substitution of Issuer**

The Trustee may, without the consent of the Noteholders or any other Secured Creditor, subject to:

21.1.1 the consent of the Issuer; and

21.1.2 such further conditions as are specified in the Trust Deed,

agree to the substitution of a Substituted Obligor in place of the Issuer as the principal debtor in respect of the Trust Documents, the Transaction Documents, the Notes and the Secured Amounts.

21.2 **Notice of Substitution of Issuer**

Not later than fourteen days after any substitution of the Issuer in accordance with this Condition, the Substituted Obligor shall cause notice of such substitution to be given to the Noteholders and the other Secured Creditors in accordance with the Notices Condition and the other relevant Transaction Documents.

21.3 **Change of Law**

In the case of a substitution pursuant to this Condition, the Trustee may in its absolute discretion agree, without the consent of the Noteholders or the other Secured Creditors to a change of the law governing the Notes and/or any of the Transaction Documents provided that such change would not, in the opinion of the Trustee, be materially prejudicial to the interests of the holders of the Most Senior Class of outstanding Notes and provided that the Rating Agencies are notified by the Issuer. For the avoidance of doubt, a Transaction Document cannot be amended without the agreement of all the parties thereto.

21.4 **No indemnity**

No Noteholder or other Secured Creditor shall, in connection with any such substitution, be entitled to claim from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence or any other consequence of any such substitution upon individual Noteholders or other Secured Creditors.

22 **NOTICES**

For so long as the relevant Notes are in global form, any notice to Noteholders shall be validly given to the relevant Noteholders if sent to the Clearing Systems for communication by them to the holders of the relevant class of Notes and shall be deemed to be given on the date on which it was so sent. If Definitive

Certificates are issued, any notice to the holders thereof shall be validly given if sent by first class mail to them at their respective addresses in the Register (or the first named of joint holders) and notice shall be deemed to have been given on the second Business Day after the date of mailing. So long as the relevant Notes are admitted to trading and listed on the official list of Euronext Dublin any notice shall also be published in accordance with the relevant guidelines of Euronext Dublin by a notification in writing to the Company Announcements Office of Euronext Dublin, and any notice so published shall be deemed to have been given on the date of publication.

23 **GOVERNING LAW AND JURISDICTION**

23.1 **Governing law**

The Transaction Documents and the Notes and all non-contractual obligations arising from or connected with them are governed by Irish law. The Subscription Agreement and all non-contractual obligations arising from or connected with it is governed by English law.

23.2 **Jurisdiction**

The courts of Ireland (the "**Irish Courts**") are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Transaction Documents and/or the Notes (including a dispute relating to non-contractual obligations of the Transaction Documents and/or the Notes) and accordingly, any legal action or proceedings arising out of or in connection with the Transaction Documents and/or the Notes may be brought in the Irish Courts. The Issuer has in each of the Transaction Documents to which it is a party irrevocably submitted to the jurisdiction of the Irish Courts.

TAXATION

Ireland Taxation

The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding Notes. 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, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest (for these purposes interest generally includes premia but not discounts). However, an exemption from withholding on interest payments exists under Section 64 of the Taxes Consolidation Act, 1997 (the "**TCA**") for certain interest bearing securities issued by a body corporate (such as the Issuer) which are quoted on a recognised stock exchange (which would include Euronext Dublin) ("**quoted Eurobonds**").

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

- (a) the person by or through whom the payment is made is not in Ireland; or
- (b) the payment is made by or through a person in Ireland, and either:
 - (i) the quoted Eurobond is held in a clearing system recognised by the Irish Revenue Commissioners (e.g. Euroclear, Clearstream Luxembourg and Clearstream Banking AG), or
 - (ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to the person by or through whom the payment is made in the prescribed form.

So long as the Notes are quoted on a recognised stock exchange and are held in a recognised clearing system such as Euroclear, Clearstream Luxembourg or Clearstream Banking AG (or, if not so held, payments on the Notes are made through a paying agent not in Ireland), interest on the Notes can be paid by the Issuer and any paying agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax. Discounts paid on Notes will not be subject to Irish withholding tax, however generally premia paid will be subject to the same provisions as interest.

If, for any reason, the quoted Eurobond exemption referred to above does not or ceases to apply, the Issuer can still pay interest on the Notes free of withholding tax provided it is a Qualifying Company and provided the interest is paid to a person resident in either (i) a member state of the European Union (other than Ireland) or (ii) a country with which Ireland has signed a comprehensive double taxation agreement (such a country mentioned in either (i) or (ii) being a "**Relevant Territory**"). For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to a company in connection with a trade or business carried on by it through a branch or agency located in Ireland.

In certain limited circumstances a payment of interest by the Issuer which is considered dependent on the results of the Issuer's business or which represents more than a reasonable commercial return can be re-characterised as a distribution subject to dividend withholding tax.

Subject to the provisions of the Finance Act 2016 (discussed below), a payment of profit dependent or excessive interest on the Notes will not be re-characterised as a distribution to which dividend withholding tax could apply where, broadly, the interest is paid to:

- (i) an Irish tax resident person or a non resident that is subject to Irish corporation tax on that interest;
- (ii) a person who in respect of the interest is subject under the laws of a Relevant Territory to tax which generally applies to profits, income or gains received from sources outside that territory without any reduction computed by reference to the amount of the interest payment;
- (iii) for so long as the Notes remain quoted Eurobonds, a person who is neither a person which is a company which directly or indirectly controls or is controlled by the Issuer or which is controlled by a third company which directly or indirectly controls the Issuer nor is a person (including any person connected to that person) (a) from whom the Issuer has acquired assets, (b) to whom the Issuer has made loans or advances, or (c) with whom the Issuer has entered into a return agreement (as defined in section 110(1) of the TCA) where the aggregate value of such assets, loans, advances or agreements represents 75 per cent. or more of the assets of the Issuer (such a person falling within this category of person being a **Specified Person**);
- (iv) an pension fund, government body or other person resident in a Relevant Territory (which in each case is tax exempt in that territory and is not a Specified Person); or
- (v) a person in circumstances where the interest has been subject to withholding tax under section 246 of the TCA;

Encashment Tax

Encashment tax may arise in respect of Notes which constitute quoted Eurobonds where a collection agent in Ireland obtains payment of interest or premium (whether or not in Ireland). Where encashment tax arises, a withholding tax will be deducted from such payments at the standard rate of tax (which is currently 20%). Encashment tax will not be withholdable by a bank where it acts solely in the clearing of a cheque and has no other relationship with the Noteholder. However, if the person owning the Note and entitled to the interest is not resident in Ireland and has provided the appropriate declaration to the relevant person, encashment tax will not arise. It is also necessary, to be exempt from withholding, that such interest is not deemed under the provisions of Irish tax legislation to be income of another person that is resident in Ireland.

In the case of interest payments made by or through a paying agent outside Ireland, no encashment tax arises provided the interest is not received by, or presented to, a banker (subject to the above) or any other person in Ireland for encashment.

Finance Acts 2016 and 2017

Notwithstanding the above, where profit dependent or excessive interest is attributable to the holding by a Qualifying Company of "specified mortgages", units in an IREF (within the meaning of Chapter 1B of Part 27 TCA) or shares that derive their value or the greater part of their value directly or indirectly from Irish real estate (the "**Affected Interest**"), this Affected Interest will be re-characterised as a distribution which is not deductible for tax purposes in computing the taxable profits of the Issuer and will also be subject to dividend withholding tax (subject to any available exemptions). A "specified mortgage" for this purpose includes a loan which is secured on, and which derives its value, or the greater part of its value, directly or indirectly from, Irish land.

Affected Interest will not be re-characterised in the case of a "CMBS/RMBS transaction", as defined in Section 110(5A) of the TCA. Broadly, a "CMBS/RMBS transaction" refers to a securitisation transaction within the meaning of Article 4(1)(61) of the Capital Requirements Regulation ("**Capital Requirements Regulation**" or "**CRR**" (which is now reflected in Article 2(1) of the Securitisation Regulation) entered into by a Qualifying Company where the originator, within the meaning of Article 4(a) or 4(b) of the CRR (now reflected in Article 2(3)(a) or Article 2(3)(b) of the Securitisation Regulation) retains a net economic interest in the credit risk of the securitisation position in accordance with Article 405 of the CRR (now reflected in Article 6(3)(a) of the Securitisation Regulation) and, in the case of an originator, within the meaning of Article 4(b) of the CRR (now reflected in Article 2(3)(b) of the Securitisation Regulation) is a regulated financial institution or credit institution (within the meaning of the CRR) regulated by a competent authority in a relevant member state of the European Union including Ireland or is

authorised by a third country authority, recognised by the European Commission as having supervisory and regulatory arrangements at least equivalent to those applied in a relevant member state, or Ireland, to carry out similar activities. Payments of Affected Interest by the Issuer should be able to avail of the exemption for "CMBS/RMBS transactions".

Taxation of Noteholders

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish income tax. Interest, discount or premium on Notes is Irish source income. Such income is within the charge to Irish income tax, social insurance and the universal social charge in the case of Noteholders that are Irish resident or ordinarily resident individuals. In the case of Noteholders who are non-resident individuals such income is within the charge to Irish income tax and the universal social charge. Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

However, interest on the Notes will be exempt from Irish income tax if the recipient of the interest is resident in a Relevant Territory provided either (i) the Notes are quoted Eurobonds and are exempt from withholding tax as set out above and the recipient is not a resident of Ireland or (ii) in the event of the Notes not being or ceasing to be quoted Eurobonds exempt from withholding tax, (a) if the Issuer is a Qualifying Company, or (b) if the Issuer has ceased to be a Qualifying Company, the recipient of the interest is a company and either the jurisdiction in which that company is resident imposes a tax that generally applies to interest receivable in that jurisdiction by companies from sources outside that jurisdiction or the interest is exempted from tax in that Relevant Territory under the terms of a double taxation agreement signed with Ireland.

In addition, provided that the Notes are quoted Eurobonds and are exempt from withholding tax as set out above, the interest on the Notes will be exempt from Irish income tax if the recipient of the interest is (i) a company under the control, directly or indirectly, of persons who by virtue of the law of a relevant territory are resident in that country and that person or persons are not themselves under the control whether directly or indirectly of a person who is not resident in such a country, or (ii) a company, the principal class of shares of such company, or another company of which the recipient company is a 75 per cent. subsidiary, is substantially and regularly traded on one or more recognised stock exchanges in Ireland or a relevant territory or a stock exchange approved by the Irish Minister for Finance.

Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Noteholders receiving interest on the Notes which does not fall within any of the above exemptions may be liable to Irish income tax, the universal social charge and pay related social insurance on such interest.

Capital Gains Tax

A holder of Notes will not be subject to Irish tax on capital gains on a disposal of Notes for so long as the Notes are quoted on a stock exchange unless such holder is resident or ordinarily resident in Ireland or carries on a trade in Ireland through a branch or agency in respect of which the Notes are used or held.

Capital Acquisitions Tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponent is domiciled in Ireland irrespective of his residence or that of the donee/successor on the date of the gift or inheritance) or (ii) if the Notes are regarded as property situate in Ireland.

Bearer Notes are generally regarded as situated where they are physically located at any particular time. Registered Notes are generally regarded as situated where the principal register of Noteholders is maintained or is required to be maintained, but the Notes may be regarded as situated in Ireland regardless of their physical location or the location of the register as they secure a debt due by an Irish resident debtor and they are secured over Irish property. Accordingly, if such Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponent or the donee/successor on the date of the gift or inheritance.

Stamp Duty

Provided the Issuer remains a Qualifying Company no stamp duty or similar tax is imposed in Ireland on the issue, transfer or redemption of the Notes provided the money raised on the issue of the Notes is used in the course of the Issuer's business.

Automatic Exchange of Information

Irish reporting financial institutions, which may include the Issuer, may have reporting obligations in respect of certain investors under both FATCA and CRS (see below).

Information exchange and the implementation of FATCA in Ireland

The Issuer may be obliged to report certain information in respect of U.S. investors (Noteholders) in the Issuer to the Revenue Commissioners who will then share that information with the U.S. tax authorities.

Under US legislation, the Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 ("**FATCA**"), a 30 per cent. US withholding tax may be imposed on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the U.S. Internal Revenue Service ("**IRS**") to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.

On 21 December 2012 Ireland signed an Intergovernmental Agreement ("**IGA**") with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and *vice versa*.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (as amended) (the "**Irish Regulations**") implementing the information disclosure obligations Irish financial institutions such as the Issuer are required to report certain information with respect to U.S. account holders and non-financial entities controlled by US persons to the Revenue Commissioners. The Revenue Commissioners will provide that information annually to the IRS. Aside from where the Notes are listed (see below) the Issuer must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information may be sought from each holder and beneficial owner of the Notes. It should be noted that the Irish Regulations require the filing of returns with the Revenue Commissioners regardless as to whether the Issuer holds any U.S. assets or has any U.S. investors. However to the extent that the Notes are listed on a recognised stock exchange (which includes Euronext Dublin) with the intention that the interests may be traded or held within a recognised clearing system the Issuer should have no reportable accounts in a tax year. In that event the Issuer will make a nil return for that year to the Revenue Commissioners.

While the IGA and Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Issuer in respect of its assets, no assurance can be given in this regard. As such, Noteholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

Common Reporting Standard

CRS means the common reporting standard comprising the Standard for Automatic Exchange of Financial Account Information in Tax Matters approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development (the "**Standard**") and any treaty, law or regulation of any other jurisdiction which facilitates the implementation of the Standard including Council Directive 2014/107/EU on the Administrative Cooperation in the Field of Taxation ("**DAC II**").

The CRS framework was first released by the Organisation for Economic Co-operation and Development ("**OECD**") in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase tax transparency. On 21 July 2014, the Standard was published by the OECD and this includes the CRS.

The goal of the CRS is to provide for the annual automatic exchange between governments of financial account information reported to them by local reporting financial institutions (as defined) ("**FIs**") relating to account holders who are tax resident in other participating jurisdictions. The OECD, in developing the CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It results 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.

DAC II implemented measures similar to the CRS in a European context and created a mandatory obligation for all Member States to exchange financial account information in respect of residents in other Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year (or from 2018 in the case of Austria).

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of the CRS while Sections 891F and 891E of the TCA of Ireland 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 "**Regulations**") gave effect to the CRS from 1 January 2016.

Over 95 jurisdictions committed to exchanging information under the CRS and a group of 50 countries, including Ireland, committed to the early adoption of the CRS from 1 January 2016 (known as the "**Early Adopter Group**"), with the first data exchanges having taken place in September 2017. All Member States are members of the Early Adopter Group.

The Revenue Commissioners have issued regulations to implement the requirements of the CRS and DAC II into Irish law under which Irish financial institutions (which may include the Issuer) will be obliged to make a single return in respect of the CRS and DAC II. For the purpose of complying with its obligations under the CRS and DAC II, an Irish financial institutions (such as the Issuer) shall be entitled to require Noteholders to provide any information regarding their identity and, in certain circumstances, their controlling person's tax status, identity or residence in order to satisfy any reporting requirements which the Issuer may have as a result of the CRS and DAC II, and Noteholders will be deemed, by their holding, to have authorised the automatic disclosure of such information by the Issuer or any nominated service provider or any other person to the Revenue Commissioners. The information will be provided to the Irish Revenue Commissioners, who will exchange the information with the tax authorities of other participating jurisdictions, as applicable. Failure by an Irish financial institutions to comply with its CRS and DAC II obligations may result in the Issuer being deemed to be non-compliant in respect of its CRS obligations, and monetary penalties may be imposed on a non-compliant financial institutions under Irish legislation.

The Issuer (or any nominated service provider) will agree that information (including the identity of any Noteholder) supplied for the purposes of CRS and DAC II compliance is intended for the Issuer's (or any nominated service provider's) use for the purposes of satisfying CRS and DAC II requirements, and the Issuer (or any nominated service provider) will agree, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Issuer may disclose such information (i) to its officers, directors, agents and advisers, (ii) to the extent reasonably necessary or advisable in connection with tax matters,

including achieving CRS and DAC II compliance, (iii) to any person with the consent of the applicable Noteholder or (iv) as otherwise required by law or court order or on the advice of its advisers.

Further information in relation to the CRS can be found on the Automatic Exchange of Information webpage on www.revenue.ie.

U.S. Foreign Account Tax Compliance Withholding

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY ANY PERSON FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH PERSON UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE PURCHASERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The foreign account tax compliance provisions of FATCA impose a withholding tax of 30 per cent. on (i) certain U.S. source payments and (ii) payments of gross proceeds from the disposition of assets that produce U.S. source interest or dividends made to persons that fail to meet certain certification or reporting requirements. In order to avoid becoming subject to this withholding tax, non-U.S. financial institutions must enter into IRS Agreements (as described below) or otherwise be exempt from the requirements of FATCA. Non-U.S. financial institutions that enter into IRS Agreements or become subject to provisions of local law ("**IGA legislation**") intended to implement IGAs, may be required to identify "financial accounts" held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. In addition, in order (a) to obtain an exemption from FATCA withholding on payments it receives and/or (b) to comply with any applicable IGA legislation, a financial institution that enters into an IRS Agreement or is subject to IGA legislation may be required to (i) report certain information on its U.S. account holders to the government of the United States or another relevant jurisdiction and (ii) withhold 30 per cent. from all, or a portion of, certain payments made to persons that fail to provide the financial institution information, consents and forms or other documentation that may be necessary for such financial institution to determine whether such person is compliant with FATCA or otherwise exempt from FATCA withholding.

Under FATCA, withholding is required with respect to payments to persons that are not compliant with FATCA or that do not provide the necessary information, consents or documentation made on or after (i) 1 July 2014 in respect of certain US source payments, (ii) 1 January 2019, in respect of payments of gross proceeds (including principal repayments) on certain assets that produce US source interest or dividends and (iii) 1 January 2019 (at the earliest) in respect of "foreign passthru payments" and then, for "obligations" that are not treated as equity for U.S. federal income tax purposes, only on such obligations that are issued or materially modified on or after the later of (a) 1 July 2014, and (b) in the case of an obligation that pays only foreign passthru payments, the date that is six months after the date on which the final regulations applicable to "foreign passthru payments" are filed in the Federal Register.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes and the information reporting obligations of the Issuer and other entities in the payment chain is still developing. In particular, a number of jurisdictions (including Ireland) have entered into, or have announced their intention to enter into, intergovernmental agreements (or similar mutual understandings) with the United States, which modify the way in which FATCA applies in their jurisdictions. The full impact of such agreements (and the laws implementing such agreements in such jurisdictions) on reporting and withholding responsibilities under FATCA is unclear. For a discussion of the implementation of FATCA in Ireland see "*Ireland Taxation – Information exchange and the implementation of FATCA in Ireland*". The Issuer and other entities in the payment chain may be required to report certain information on their U.S. account holders to government authorities in their respective jurisdictions or the United States in order (i) to obtain an exemption from FATCA withholding on payments they receive and/or (ii) to comply with applicable law in their jurisdiction. It is not yet certain how the United States and the jurisdictions

which enter into intergovernmental agreements will address withholding on "foreign passthru payments" (which may include payments on the Notes) or if such withholding will be required at all.

Whilst the Notes are in global form and held within Euroclear and Clearstream, Luxembourg (together, the "ICSDs"), 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 from (but excluding) the Issuer to (but including) the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an intergovernmental agreement 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 ICSDs. If this were to happen, then a non-FATCA-compliant holder could be subject to withholding. However, definitive Notes will only be printed in remote circumstances.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the terms and conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, if FATCA withholding were to apply to payments on the Notes, investors may receive less interest or principal than they would otherwise receive.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES AND THE HOLDERS IS SUBJECT TO CHANGE. EACH HOLDER OF NOTES SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT EACH HOLDER IN ITS PARTICULAR CIRCUMSTANCE.

SUBSCRIPTION AND SALE

The Joint Lead Managers have, pursuant to a subscription agreement dated on or about the date of this Prospectus amongst the Seller, the Joint Lead Managers and the Issuer (the "**Subscription Agreement**"), agreed with the Issuer (subject to certain conditions) to use best efforts to subscribe or procure subscriptions for the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and Class Z Notes. The Joint Lead Managers have no obligation to underwrite the subscription for the Notes. The initial purchaser of the Class Z Notes is expected to be the M&G Funds.

In the Subscription Agreement Bank of Ireland undertakes to retain, on an ongoing basis, a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the Securitisation Regulation (as such provision is interpreted and applied on the Closing Date and which does not take into account any implementation rules or corresponding national measures in any relevant jurisdiction) subject always to any requirement of law and to the extent the Securitisation Regulation continues to apply to this Transaction. Such retention requirement will comprise retention by Bank of Ireland of not less than 5 per cent. of the nominal value of each of the tranches sold or transferred to investors as required by the text of Article 6(3)(a) of the Securitisation Regulation. The information made available by Bank of Ireland pursuant to this undertaking can be viewed by Noteholders on the website of European Data Warehouse at <https://edwin.eurowdw.eu/edweb/Deal/ViewDeal/RMBSIE000433100520197>. For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus.

The Issuer has agreed to indemnify the Joint Lead Managers, and the Arranger against certain liabilities and to pay certain costs and expenses in connection with the issue of the Notes.

Other than admission of the Notes to the Official List and the admission to trading on Euronext Dublin's regulated market, no action has been taken by the Issuer, the Joint Lead Managers or Bank of Ireland, which would or has been intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

United Kingdom

Each of the Joint Lead Managers and the Issuer has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of 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 with respect to anything done by it in relation to the Notes in, from or otherwise involving the UK.

Each of the Joint Lead Managers and the Issuer has acknowledged that, save for having obtained the approval of the Prospectus as a prospectus in accordance with Part VI of FSMA, having applied for the admission of the Notes to the Official List and admission to trading on Euronext Dublin, no further action has been or will be taken in any jurisdiction by the Joint Lead Managers or the Issuer that would, or is intended to, permit a public offering of the Notes, or possession or distribution of the Prospectus or any other offering material in relation to the Notes, in any country or jurisdiction where such further action for that purpose is required.

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, such registration requirements. Accordingly, the Notes are being offered outside the United States to persons other than U.S. persons.

Each of the Joint Lead Managers and the Issuer has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes as part of its distribution at any time or otherwise until 40 days after the later of the commencement of the offering of the Notes and the closing date (the "**Distribution Compliance Period**") within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each affiliate or other dealer (if any) to which it sells Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account of, U.S. persons.

Except with the prior written consent of the Seller and where such sale falls within the exemption provided by Rule 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of any Risk Retention U.S. Person.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Ireland

Each of the Joint Lead Managers and the Issuer has represented and agreed that they will not offer, sell, place or underwrite or do anything in respect of the Notes other than in conformity with the provisions of:

- (a) Irish European Union (Markets in Financial Instruments) Regulations 2017 (as amended), including without limitation Regulation 5 thereof, any codes of conduct made thereunder and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) the Irish Central Bank Acts 1942 – 2018 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);
- (c) the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended), the "**Companies Act**") and any rules and guidance issued under Section 1363 of the Companies Act, by the Central Bank; and
- (d) the Market Abuse Regulation (EU 596/2014) (as amended), ("**MAR**"), the European Union (Market Abuse) Regulations 2016 (as amended) ("**2016 Regulations**") and any rules and guidance issued under Section 1370 of the Companies Act by the Central Bank.

European Economic Area

Each Joint Lead Manager represents and agrees 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 the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of the IMD, 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; and

the expression "offer" includes 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.

General

Each of the Joint Lead Managers and the Issuer has undertaken that it will not, directly or indirectly, offer or sell any Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

LISTING AND GENERAL INFORMATION

- (a) It is expected that the admission of the Notes to the Official List and the admission of the Notes to trading on Euronext Dublin's regulated market will be granted on or around 15 April 2019.
- (b) The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), since 31 October 2018 (being the date of incorporation of the Issuer) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer.
- (c) The auditor for the Issuer is PricewaterhouseCoopers. PricewaterhouseCoopers is a member of the Institute of Chartered Accountants in Ireland. So long as the Notes are admitted to trading on Euronext Dublin's regulated market, the most recently published audited annual accounts of the Issuer from time to time shall be filed with Euronext Dublin and shall be available at the Specified Office of the Principal Paying Agent in London. The Issuer does not publish interim accounts. Since 31 October 2018 (being the date of incorporation of the Issuer), there has been (a) no material adverse change in the financial position or prospects of the Issuer and (b) no significant change in the financial or trading position of the Issuer.
- (d) Since the date of its incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of business.
- (e) The issue of the Notes was authorised pursuant to a resolution of the board of directors of the Issuer passed on 15 April 2019.
- (f) The following Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg under the following ISIN and Common Codes:

Class of Notes	ISIN	Common Code
Class A	XS1962593684	196259368
Class B	XS1962596604	196259660
Class C	XS1962596869	196259698
Class D	XS1962597164	196259716
Class E	XS1962597954	196259759
Class Z	XS1962590055	196259805

- (g) From the date of this Prospectus and for so long as the Notes are listed on Euronext Dublin's regulated market, physical copies of the following documents may be inspected at the registered office of the Trustee during usual business hours, on any weekday (public holidays excepted):
 - (i) the Constitution of the Issuer;
 - (ii) copies of the following documents:
 - (1) the Trust Deed;
 - (2) the Deed of Charge;
 - (3) the Agency Agreement;

- (4) the Incorporated Terms Memorandum;
 - (5) the Deed poll;
 - (6) the Deposit Account Bank Agreement;
 - (7) the Interest Rate Cap Agreement;
 - (8) the Administration Agreement;
 - (9) the Cash Management Agreement;
 - (10) the Collection Account Declarations of Trust;
 - (11) the Mortgage Sale Agreement;
 - (12) the Seller Security Power of Attorney; and
 - (13) the Interest Rate Cap Agreement.
- (h) The Issuer (as the designated entity for the purposes of the Article 7 of the Securitisation Regulation) will procure that the Cash Manager will prepare:
- (i) a quarterly Investor Report in respect of the relevant period, as required by and in accordance with Article 7(1)(e) of the Securitisation Regulation; and
 - (ii) which will include on a quarterly basis certain loan-by-loan information in relation to the Mortgage Portfolio in respect of the relevant period as required by and in accordance with Article 7(1)(a) of the Securitisation Regulation.

In addition, the Issuer confirms that:

- (i) the Administrator has made available the documents required by Article 7(1)(b) of the Securitisation Regulation prior to the pricing date of the Notes; and
- (ii) the Administrator will publish details of any inside information as required by and in accordance with Article 7(1)(f) of the Securitisation Regulation.

The reports set out in paragraphs (i) and (ii) above and the documentation and information set out in paragraphs (iii) and (iv) above have been or, as applicable, shall be published on the website of European Data Warehouse at <https://edwin.eurowdw.eu/edweb/Deal/ViewDeal/RMBSIE000433100520197>, being a website that conforms with the requirements set out in Article 7(2) of the Securitisation Regulation (since, as at the date of this Prospectus, no securitisation repository has yet been registered with ESMA as contemplated under Article 10 of the Securitisation Regulation). The Investor Reports will be published on a securitisation repository when an appropriate repository becomes available in accordance with the Securitisation Regulation.

Each such Investor Report set out in paragraphs (i) and (ii) above shall be made available no later than one month following the due date for the payment of interest. For the avoidance of doubt, this website and the contents thereof do not form part of this Prospectus. None of the Co-Arrangers or any Joint Lead Manager is responsible for compliance with the Article 7 transparency requirements and makes no representation in this regard.

- (i) The Issuer confirms that the Mortgage Loans backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the

Notes. Investors are advised that this confirmation is based on the information available to the Issuer at the date of this Prospectus and may be affected by the future performance of such assets backing the issue of the Notes. Investors are advised to review carefully any disclosure in the Prospectus together with any amendments or supplements thereto.

- (j) The total expenses to be paid in relation to admission of the Notes to the Official List and trading on the regulated market of Euronext Dublin are estimated to be approximately €10,000.

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