

Bank of Ireland Group 

## The Governor and Company of the Bank of Ireland

(established in Ireland by Charter in 1783, and having limited liability Registered in Ireland No. C-1)

and

## Bank of Ireland Group plc

(incorporated and registered in Ireland under the Companies Act with registered number 593672)

€25,000,000,000

## Euro Note Programme

The Governor and Company of the Bank of Ireland (“BOI”) and Bank of Ireland Group plc (“BOIG” and, together with BOI, the “Issuers” and each an “Issuer”) have entered into a €25,000,000,000 Euro Note Programme (as amended, the “Programme”). Under the Programme, the Issuers may, subject to compliance with all relevant laws and regulations, from time to time issue notes in bearer form (“Bearer Notes”) or registered form (“Registered Notes”) and, together with Bearer Notes, the “Notes”, which expression shall include Ordinary Notes and Dated Subordinated Notes (each as defined herein) denominated in any currency agreed between the relevant Issuer and the relevant Dealer(s) (as defined below). References in this Prospectus to the “relevant Issuer” shall, with respect to any Notes, be references to whichever of BOI or BOIG is specified as the Issuer in the applicable Final Terms or, as the case may be, Pricing Supplement (each as defined below) for such Notes.

The Notes may be issued on a continuing basis to one or more of the Dealers specified herein and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a “Dealer” and together the “Dealers”).

This Prospectus supersedes all previous prospectuses, offering circulars, information memoranda and supplements thereto in connection with the Programme. Any Notes issued under the Programme on or after the date hereof are issued subject to the provisions set out herein. This does not affect any Notes already in issue or any Notes issued on or after the date hereof and forming a single Series (as defined below) with Notes issued prior to the date hereof.

This Prospectus has been approved by the Central Bank of Ireland (the “Central Bank”), as competent authority under the Prospectus Directive (as defined below). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and European Union (“EU”) law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for Notes, other than Exempt Notes (as defined below), to be admitted to the Official List and trading on the regulated market of the Irish Stock Exchange plc (the “Irish Stock Exchange”) or other regulated markets for the purposes of Directive 2004/39/EC (the “Markets in Financial Instruments Directive” or “MiFID”). Such approval relates only to Notes which are to be admitted to trading on the regulated market for the purposes of MiFID and/or which are to be offered to the public in any Member State of the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive. The regulated market of the Irish Stock Exchange is a regulated market for the purposes of MiFID.

This Prospectus has also been approved as “Listing Particulars” by the Irish Stock Exchange in connection with the issue by the Issuers of Exempt Notes. Application has been made to the Irish Stock Exchange for Exempt Notes to be admitted to the Official List and trading on the Global Exchange Market of the Irish Stock Exchange (the “Global Exchange Market”). The Global Exchange Market is not a regulated market for the purposes of MiFID.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the relevant Issuer and the relevant Dealer. Each Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

References in this Prospectus to “Exempt Notes” are to Notes for which no prospectus is required to be published under the Prospectus Directive. **The Central Bank has neither approved nor reviewed information contained in this Prospectus in connection with Exempt Notes, including the form of the Pricing Supplement in respect of Exempt Notes.**

The Central Bank may at the request of the Issuers, send (i) a copy of the Prospectus; (ii) a certificate of approval pursuant to Article 18 of the Prospectus Directive attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive (an “Attestation Certificate”); and (iii) if so required by the competent authority of such European Economic Area Member State, a translation of the “Summary of the Programme” contained herein. At the date hereof, the Issuers have requested the Central Bank to send an Attestation Certificate and copy of the Prospectus to the United Kingdom Financial Conduct Authority.

Details of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “Terms and Conditions of the Notes”) of Notes will be set out (i) in the case of Notes other than Exempt Notes, in a final terms document (the “Final Terms”) which, with respect to Notes to be listed on the Irish Stock Exchange, will be delivered to the Irish Stock Exchange on or before the date of issue of the Notes of such Tranche, or (ii) in the case of Exempt Notes, a pricing supplement document (the “Pricing Supplement”).

Each Issuer may agree with any Dealer and the Trustee (as defined herein) that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a new Prospectus will (unless the Notes are Exempt Notes) be made available describing such Notes.

The Notes have not been and will not be registered under the United States Securities Act 1933, as amended (the “Securities Act”). Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (see “Subscription and Sale”).

**Factors which may affect an Issuer’s ability to fulfil its obligations under Notes issued by it under the Programme and factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are set out under “Risk Factors” herein.**

Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, its rating will be specified in the applicable Final Terms or Pricing Supplement, along with (other than in the case of Exempt Notes) confirmation of whether or not such rating will be issued by a credit rating agency established in the EU and registered under Regulation (EC) No 1060/2009 (as amended) (the “CRA Regulation”). The list of registered and certified rating agencies published by the European Securities and Markets Authority (“ESMA”) will appear on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with the CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning credit rating agency.

Arranger

BofA Merrill Lynch

Dealers

Bank of Ireland  
BNP PARIBAS  
Citigroup  
Credit Suisse  
Danske Bank  
Goldman Sachs International  
J.P. Morgan Cazenove  
Mizuho Securities  
Natixis  
Nomura  
UBS Investment Bank

Barclays  
BofA Merrill Lynch  
Commerzbank  
Daiwa Capital Markets Europe  
Deutsche Bank  
HSBC  
Lloyds Bank  
Morgan Stanley  
NatWest Markets  
Société Générale Corporate & Investment Banking  
UniCredit Bank

The date of this Prospectus is 11 August 2017.

## IMPORTANT INFORMATION

This Prospectus comprises:

- (i) in respect of all Notes other than Exempt Notes issued under the Programme, a base prospectus for the purposes of Article 5.4 of the Prospectus Directive; and
- (ii) in respect of Exempt Notes issued under the Programme, “Listing Particulars” for the purposes of the admission of the Exempt Notes to the Official List of the Irish Stock Exchange and trading on the Global Exchange Market and, for such purposes, does not constitute a “prospectus” for the purposes of the Prospectus Directive.

When used in this Prospectus, “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

Each Final Terms will constitute final terms in relation to the Tranche of Notes, other than Exempt Notes, for the purposes of the Prospectus Directive.

Each Issuer accepts responsibility for the information contained in this Prospectus. The relevant Issuer accepts responsibility for the information contained in the applicable Final Terms and the applicable Pricing Supplement. To the best of the knowledge and belief of BOI and BOIG (each 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.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by BOI and/or BOIG in connection with the Programme or the Notes or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of the Issuers under the Programme.

Copies of each Final Terms constituting final terms for an issue of Notes will be available from the registered office of the relevant Issuer and the specified office set out below of each of the Paying Agents (as defined below).

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see “*Documents Deemed to be Incorporated by Reference*” below). This Prospectus shall be read and construed on the basis that those documents are so incorporated and form part of this Prospectus.

No person is or has been authorised to give any information or to make any representation not contained in this Prospectus or any other information supplied in connection with the Programme or the Notes (save, in the case of the Dealers, for oral statements which are consistent with the same) and, if given or made, such information or representation must not be relied upon as having been authorised by BOI, BOIG or the Trustee or any of the Dealers.

Exempt Notes issued under the Programme to be admitted to the Official List of the Irish Stock Exchange and trading on the Global Exchange Market will, because of their nature, normally be bought and traded by a limited number of investors who are particularly knowledgeable in investment matters.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by or on behalf of BOI, BOIG, the Trustee or any of the Dealers that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Notes should subscribe for or purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer.

Neither the delivery of this Prospectus nor any subscription, sale or purchase of any Notes shall at any time imply that there has been no change in the affairs of BOI, BOIG or the Group (as defined below) since the date hereof or that the information contained in it concerning BOI, BOIG or the Group is correct at any time subsequent to its date or that any other information supplied in connection with the Programme or any Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of BOI, BOIG or the Group during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

**IMPORTANT INFORMATION RELATING TO PUBLIC OFFERS OF NOTES WHERE THERE IS  
NO EXEMPTION FROM THE OBLIGATION UNDER THE PROSPECTUS DIRECTIVE TO  
PUBLISH A PROSPECTUS**

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a “**Public Offer**”.

**Restrictions on Public Offers of Notes in relevant Member States where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus**

This Prospectus has been prepared on a basis that permits Public Offers of Notes in each Member State in relation to which the relevant Issuer has given its consent, as specified in the applicable Final Terms (each specified Member State a “**Public Offer Jurisdiction**” and together the “**Public Offer Jurisdictions**”). Any person making or intending to make a Public Offer of Notes on the basis of this Prospectus must do so only with the relevant Issuer’s consent to the use of this Prospectus as provided under “*Consent given in accordance with Article 3.2 of the Prospectus Directive*” below and provided such person complies with the conditions attached to that consent.

**Any Authorised Offeror (as defined below) who wishes to use this Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period, to publish on its website that it is using this Prospectus for such Public Offer in accordance with the consent of the relevant Issuer and the conditions attached thereto.**

**Consent given in accordance with Article 3.2 of the Prospectus Directive**

In the context of a Public Offer of Notes, the relevant Issuer accepts responsibility, in each of the Public Offer Jurisdictions, for the content of this Prospectus in relation to any person (an “**Investor**”) who acquires any Notes in a Public Offer made by a Dealer or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Prospectus are complied with. The consent and conditions attached to it are set out under “*Consent*” and “*Common Conditions to Consent*” below.

None of BOI, BOIG or any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Public Offer and none of BOI, BOIG or any Dealer has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, none of BOI, BOIG and, for the avoidance of doubt, any Dealer has authorised the making of any Public Offer by any offeror and neither BOI nor BOIG has consented to the use of this Prospectus by any other person in connection with any Public Offer of Notes. Any Public Offer made without the consent of BOI or BOIG is unauthorised and none of BOI, BOIG and, for the avoidance of doubt, any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.**

If, in the context of a Public Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Prospectus for the purposes of the relevant Public Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents it should take legal advice.

The financial intermediaries referred to in paragraphs (a)(ii), (a)(iii) and (b) below are together the “**Authorised Offerors**” and each an “**Authorised Offeror**”.

***Consent***

In connection with each Tranche of Notes and subject to the conditions set out below under “*Common Conditions to Consent*”:

*Specific Consent*

- (a) the relevant Issuer consents to the use of this Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of such Notes during the relevant Offer Period stated in the applicable Final Terms by:
  - (i) by the relevant Dealer(s) or Manager(s) stated in the applicable Final Terms;
  - (ii) any financial intermediaries specified in the applicable Final Terms; and

- (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the website of BOI and BOIG ([www.bankofireland.com](http://www.bankofireland.com)) and identified as an Authorised Offeror in respect of the relevant Public Offer; and

*General Consent*

- (b) if (and only if) Part B of the applicable Final Terms specifies “General Consent” as “Applicable”, the relevant Issuer hereby offers to grant its consent to the use of this Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Notes during the relevant Offer Period stated in the applicable Final Terms by any other financial intermediary which satisfies the following conditions:
  - (i) it is authorised to make such offers under the applicable legislation implementing the Markets in Financial Instruments Directive; and
  - (ii) it accepts the relevant Issuer’s offer to grant consent to the use of this Prospectus by publishing on its website the following statement (with the information in square brackets duly completed) (the “**Acceptance Statement**”):

*“We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the “Notes”) described in the Final Terms dated [insert date] (the “Final Terms”) published by [The Governor and Company of the Bank of Ireland/Bank of Ireland Group plc] (the “Issuer”). In consideration of the Issuer offering to grant its consent to our use of the Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Prospectus) and we are using the Prospectus accordingly.”*

The **Authorised Offeror Terms**, being the terms to which the relevant financial intermediary agrees in connection with using this Prospectus, are that the relevant financial intermediary:

- (a) will, and it agrees, represents, warrants and undertakes for the benefit of the relevant Issuer and the relevant Dealer that it will, at all times in connection with the relevant Public Offer:
  - (i) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the “**Rules**”) from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor, and will immediately inform the relevant Issuer and the relevant Dealer if at any time it becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
  - (ii) comply with the restrictions set out under “*Subscription and Sale*” in this Prospectus which would apply as if the relevant financial intermediary were a Dealer;
  - (iii) ensure that any fee (and any other commissions or benefits of any kind) received or paid by the relevant financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
  - (iv) hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;
  - (v) comply with applicable anti-money laundering, anti-bribery, anti-corruption and “know your client” Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Notes by the Investor), and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application monies;
  - (vi) retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the relevant Dealer, the relevant Issuer or directly to the appropriate authorities with jurisdiction over the relevant Issuer and/or the relevant Dealer in order to enable the relevant Issuer and/or the relevant Dealer to comply with anti-money laundering, anti-bribery, anti-corruption and “know your client” Rules applying to the relevant Issuer and/or the relevant Dealer, as the case may be;

- (vii) ensure that no holder of Notes or potential Investor in Notes shall become an indirect or direct client of the relevant Issuer or the relevant Dealer for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- (viii) co-operate with the relevant Issuer and the relevant Dealer in providing relevant information (including, without limitation, documents and records maintained pursuant to paragraph ((vi)) above) and such further assistance as is reasonably requested upon written request from the relevant Issuer or the relevant Dealer in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process. For this purpose, relevant information is information that is available to or can be acquired by the relevant financial intermediary:
  - (A) in connection with any request or investigation by the relevant regulatory authority in relation to the Notes, the relevant Issuer or the relevant Dealer; and/or
  - (B) in connection with any complaints received by the relevant Issuer and/or the relevant Dealer relating to the relevant Issuer and/or the relevant Dealer or another Authorised Offeror including, without limitation, complaints as defined in the Rules; and/or
  - (C) which the relevant Issuer or the relevant Dealer may reasonably require from time to time in relation to the Notes and/or as to allow the relevant Issuer or the relevant Dealer fully to comply with its own legal, tax and regulatory requirements;
- (ix) during the period of the initial offering of the Notes: (i) only sell the Notes at the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Dealer); (ii) only sell the Notes for settlement on the Issue Date specified in the applicable Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Dealer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the relevant Dealer); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Dealer;
- (x) either (i) obtain from each potential Investor an executed application for the Notes, or (ii) keep a record of all requests the relevant financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Notes on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;
- (xi) ensure that it does not, directly or indirectly, cause the relevant Issuer or the relevant Dealer to breach any Rule or subject the relevant Issuer or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- (xii) comply with the conditions to the consent referred to under “Common conditions to consent” below and any further requirements or other Authorised Offeror Terms relevant to the Public Offer as specified in the applicable Final Terms;
- (xiii) make available to each potential Investor in the Notes this Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the relevant Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with this Prospectus and the applicable Final Terms; and
- (xiv) if it conveys or publishes any communication (other than this Prospectus or any other materials provided to such financial intermediary by or on behalf of the relevant Issuer for the purposes of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the relevant Issuer, that such financial intermediary is solely responsible for such communication and that none of the relevant Issuer and the relevant Dealer accepts any responsibility for such communication and (C) does not, without the prior written consent of the relevant Issuer or the relevant Dealer (as applicable), use the legal or publicity names of the relevant Issuer or the relevant Dealer or any other name, brand or logo registered by an entity within their respective

groups or any material over which any such entity retains a proprietary interest, except to describe the relevant Issuer as issuer of the relevant Notes on the basis set out in this Prospectus;

- (b) agrees and undertakes to each of the relevant Issuer and the relevant Dealer that if it or any of its respective directors, officers, employees, agents, affiliates and controlling persons (each a “**Relevant Party**”) incurs any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel’s fees and disbursements associated with any such investigation or defence) (a “**Loss**”) arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by the relevant financial intermediary, including (without limitation) any unauthorised action by the relevant financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by it of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the relevant Issuer or the relevant Dealer, the relevant financial intermediary shall pay to the relevant Issuer or the relevant Dealers, as the case may be, an amount equal to the Loss. None of the relevant Issuer nor any Dealer shall have any duty or obligation, whether as fiduciary or trustee for any Relevant Party or otherwise, to recover any such payment or to account to any other person for any amounts paid to it under this provision; and
- (c) agrees and accepts that:
- (i) the contract between the relevant Issuer and the relevant financial intermediary formed upon acceptance by the relevant financial intermediary of the relevant Issuer’s offer to use this Prospectus with its consent in connection with the relevant Public Offer (the “**Authorised Offeror Contract**”), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;
  - (ii) subject to (IV) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a “**Dispute**”) and the relevant Issuer and the relevant financial intermediary submit to the exclusive jurisdiction of the English courts;
  - (iii) for the purposes of (C)(II) and (IV), the relevant Issuer and the relevant financial intermediary waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;
  - (iv) to the extent allowed by law, the relevant Issuer and each relevant Dealer may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions; and
  - (v) each relevant Dealer will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

**Any Authorised Offeror falling within (b) above who meets the conditions set out in (b) and the other conditions stated in “Common Conditions to Consent” below and who wishes to use this Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.**

#### ***Common Conditions to Consent***

The conditions to the relevant Issuer’s consent to the use of this Prospectus in the context of the relevant Public Offer are (in addition to the conditions described in paragraph (b) above if Part B of the applicable Final Terms specifies “*General Consent*” as “*Applicable*”) that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms; and
- (ii) only extends to the use of this Prospectus to make Public Offers of the relevant Tranche of Notes in Ireland and in the United Kingdom, as specified in the applicable Final Terms.

The consent referred to above relates to Offer Periods (if any) occurring within 12 months from the date of this Prospectus.

The only relevant Member States which may, in respect of any Tranche of Notes, be specified in the applicable Final Terms (if any relevant Member States are so specified) as indicated in (ii) above, will be Ireland and the United Kingdom, and accordingly each Tranche of Notes may only be offered to Investors as part of a Public Offer in Ireland and in the United Kingdom, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

#### **ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS**

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF THE RELEVANT ISSUER AND, FOR THE AVOIDANCE OF DOUBT, ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

Save as provided above, none of BOI, BOIG and any Dealer has authorised, nor do they authorise, the making of any Public Offer of Notes in circumstances in which an obligation arises for BOI, BOIG or any Dealer to publish or supplement a prospectus for such offer.

#### **IMPORTANT INFORMATION RELATING TO THE USE OF THIS PROSPECTUS AND OFFERS OF NOTES GENERALLY**

The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. BOI, BOIG, the Trustee and the Dealers do not represent that this document may be lawfully distributed, or that any 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, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by BOI, BOIG, the Trustee or the Dealers (save for the approval of this Prospectus as a base prospectus by the Central Bank) which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may 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 any applicable laws and regulations and the Dealers have represented accordingly. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the European Economic Area, the United Kingdom, Ireland, the Republic of Italy and Japan (see “*Subscription and Sale*” below).

#### **IMPORTANT – EUROPEAN ECONOMIC AREA RETAIL INVESTORS**

If the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement includes a legend entitled “*Prohibition of Sales to European Economic Area Retail Investors*”, the Notes, from 1 January 2018, are not intended, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. 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 (“**MIFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC, 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 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPS Regulation.

## SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment 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 should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) 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 Notes under any applicable risk-based capital or similar rules.

## GENERAL

The Issuers do not represent that the holder of any Notes would be entitled to receive any payment in respect of such Notes in the event of the insolvency of the relevant Issuer under any depositors' protection scheme existing from time to time in Ireland.

Nothing in the Programme restricts the right of the Issuers to issue any form of subordinated or unsubordinated debt instrument at any time outside the Programme.

All references in this document to "U.S. dollars", "U.S.\$" and "\$" refer to United States dollars, those to "Yen" and "¥" refer to Japanese Yen, those to "£" and "Sterling" refer to pounds Sterling and those to "euro" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended from time to time.

## INTERPRETATION OF "GROUP"

References herein to the "BOIG Group" are to BOIG, its direct and indirect subsidiaries and subsidiary undertakings, taken as a whole and references to the "BOI Group" are to BOI, its direct and indirect subsidiaries and subsidiary undertakings, taken as a whole.

BOIG is a non-operating holding company which carries on all of its trading activities through its direct subsidiary, BOI and the other members of the BOI Group (which are indirect subsidiaries of BOIG). BOIG has no direct subsidiaries other than BOI. Accordingly, save for the issuance and management of certain capital instruments by BOIG, the business of the BOIG Group and the BOI Group are, at the date of this Prospectus, substantively similar in all material respects. Therefore, references in this prospectus to the "Group" should be construed as references to both of the BOIG and the BOI Groups, save that where that term is used in the context of a relevant Issuer, it should be construed as meaning the BOIG Group (where the relevant Issuer is BOIG) or the BOI Group (where the relevant Issuer is BOI).



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## STABILISATION

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms or Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

## SUMMARY OF THE PROGRAMME

*Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Section A – E (A.1-E.7). This Summary contains all the Elements required to be included in a summary for this type of Notes and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of Notes and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.*

### Section A – Introduction and Warnings

|     |  |
|-----|--|
| A.1 | <ul style="list-style-type: none"> <li>• <b>This summary should be read as an introduction to the Prospectus and the applicable Final Terms.</b></li> <li>• <b>Any decision to invest in any Notes should be based on a consideration of this Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</b></li> <li>• <b>Where a claim relating to information contained in the Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Prospectus and the applicable Final Terms before the legal proceedings are initiated.</b></li> <li>• <b>No civil liability will attach to the Issuer in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Prospectus and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to aid investors when considering whether to invest in the Notes.</b></li> </ul>  |
| A.2 | <p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a “Public Offer”.</p> <p><b>Issue specific summary:</b></p> <p>[<i>Consent:</i> Subject to the conditions set out below, [The Governor and Company of the Bank of Ireland/Bank of Ireland Group plc] (the “<b>Issuer</b>”) consents to the use of this Prospectus in connection with a Public Offer of Notes by the Managers[, [<i>names of specific financial intermediaries listed in final terms,</i>] [and] [each financial intermediary whose name is published on the Issuer’s website (<a href="http://www.bankofireland.com">www.bankofireland.com</a>)] and identified as an Authorised Offeror in respect of the relevant Public Offer] and any financial intermediary which is authorised to make such offers under the Financial Services and Markets Act 2000, as amended, or other applicable legislation implementing the Markets in Financial Instruments Directive and publishes on its website the following statement (with the information in square brackets being duly completed):</p> <p><i>“We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the “Notes”) described in the Final Terms dated [insert date] (the “Final Terms”) published by [The Governor and Company of the Bank of Ireland/Bank of Ireland Group plc] (the “Issuer”). In consideration of the Issuer offering to grant its consent to our use of the Prospectus (as defined in the Final Terms) in connection with the offer of the Notes [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Prospectus), and we are using the Prospectus accordingly.”]</i></p> <p><i>Offer period:</i> The Issuer’s consent referred to above is given for Public Offers of Notes during [<i>offer period for the issue to be specified here</i>] (the “<b>Offer Period</b>”).</p> <p><i>Conditions to consent:</i> The conditions to the Issuer’s consent (in addition to the conditions referred to above) are that such consent (a) is only valid during the Offer Period; and (b) only extends to the use of this Prospectus to make Public Offers of the relevant Tranche of Notes in Ireland and in the United Kingdom].</p> <p><b>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE</b></p> |

**NOTES CONCERNED AND, ACCORDINGLY, THIS PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF THE ISSUER OR ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

**Section B– Issuer**

|             |  |  |
|-------------|--|--|
| <b>B.1</b>  | <b>Legal and Commercial Name of the Issuer<sup>1</sup></b>                       | The Governor and Company of the Bank of Ireland (“ <b>BOI</b> ”)<br>Bank of Ireland Group plc (“ <b>BOIG</b> ”)  |
| <b>B.2</b>  | <b>Domicile/ Legal Form/ Legislation/ Country of Incorporation</b>               | BOI was established as a chartered corporation by an Act of the Irish Parliament of 1781/2 and by a Royal Charter of King George III in 1783. The registered office of BOI is at 40 Mespil Road, Dublin 4 and BOI is domiciled in Ireland.<br><br>BOIG was incorporated as Adjigo plc in Ireland as a public limited company on 28 November 2016 with registered number 593672, its registered office is situated at 40 Mespil Road, Dublin 4, Ireland and it is domiciled in Ireland. On 31 March 2017, Adjigo plc changed its name to Bank of Ireland Group plc. The principal legislation under which BOIG operates is the Companies Act 2014 (as amended) (the “ <b>Companies Act</b> ”).  |
| <b>B.4b</b> | <b>Known trends affecting the Issuer and the industries in which it operates</b> | On 9 February 2015, the Central Bank introduced mortgage lending rules, under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Housing Loan Requirements) Regulations 2015 (the “ <b>Housing Loan Regulations 2015</b> ”), which include loan-to-value (“ <b>LTV</b> ”) rules which set a minimum deposit requirement for the purchase of property, and loan-to-income (“ <b>LTI</b> ”) rules which set a maximum mortgage value which could be borrowed, measured against the borrower’s gross salary. Specific LTV and LTI limits were introduced for purchasers of their principal dwelling houses including separate rules for first-time buyers, as well as those purchasing buy-to-let properties. These rules moderated residential property prices in Ireland and resulted in a reduction in mortgage lending following their introduction.<br><br>On 23 November 2016, the Central Bank announced amendments to the Housing Loan Regulations 2015 under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Housing Loan Requirements) (Amendment) Regulations 2016, which became effective on 1 January 2017. These amendments include the extension of the valuation period, the removal of the property value threshold of €220,000, and the amendment of the proportionate caps structure. The amendments also confine the regulations to loans where at least one borrower is a “consumer” as defined in the amendment. The definition includes natural persons acting for purposes outside his or her trade, business or profession; and individuals and companies that have a turnover of €3 million or less in the financial year ending before the mortgage loan is advanced (provided they do not belong to a group or partnership with a higher turnover). The impact that such amendments might have on the Irish property market and/or borrowing patterns is not yet known.<br><br>The Personal Insolvency Act 2012 created a regime for voluntary negotiated debt resolution options as alternatives to bankruptcy and reduced the timescale for discharge from bankruptcy from twelve years to three years. The bankruptcy term was further reduced from three years to one year under the Bankruptcy (Amendment) Act 2015. The Personal Insolvency (Amendment) Act 2015 gave new powers to the Courts, in certain circumstances to review and, where appropriate, approve insolvency proposals that have been rejected by a mortgage lender in relation to a principal private residence.<br><br>A number of regulatory initiatives and changes to the relevant accounting framework continue to be proposed or enacted which have the potential to impact the Group’s (as defined below) capital requirements. |
| <b>B.5</b>  | <b>Description of the Issuer</b>   | BOI is an operating bank and the parent of a group of its direct and indirect subsidiaries and subsidiary undertakings (together with BOI, the “ <b>BOI Group</b> ”) operating in the financial services sector.<br><br>BOIG is a non-operating holding company and is the ultimate parent of a group of its direct and indirect subsidiaries and subsidiary undertakings (together with BOIG, the “ <b>BOIG Group</b> ”) operating in the financial services sector. BOIG carries on all of its   |

<sup>1</sup> Each issue-specific summary will specify the relevant Issuer and the sections of this Summary corresponding to that Issuer.

|                                     |  | trading activities through BOI and other members of the BOI Group. Accordingly, save for the issuance and management of certain capital instruments by BOIG, the business of the BOIG Group and the BOI Group are, at the date of this Prospectus, substantively similar in all material respects.<br><br>In this Summary, the term “ <b>Group</b> ” shall mean (i) in respect of BOI, the BOI Group and (ii) in respect of BOIG, the BOIG Group.   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
|-------------------------------------|--|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------|-----------|------------------------------|-----------|-------------------------------------|---|------------------------------|--|------------------------------|--------|---------------------------|---------------|------------------------|-----|-----|-----|------------------------------|--|--|--|-----------------------------|-------|-------|-------|---------------------------------|--------|--------|--------|--------------------|--------|--------|--------|---------------------------|----------------|----------------|----------------|---------------------------|-------|-------|-----|--------------------------------|-------|--------|--------|-------------------------|--------|--------|---------|--------------------------------|----------------|----------------|----------------|---------------------------|--------------|--------------|--------------|
| <b>B.9</b>                          | <b>Profit forecast or estimate</b>                           | Not applicable as this Prospectus does not contain any profit forecast or estimate.   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b>B.10</b>                         | <b>Qualifications to audit report</b>                        | Not applicable – the audit reports specified in this Prospectus do not contain qualifications.  |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b>B.12</b>                         | <b>Selected historical key financial information of BOI</b>  | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; border-bottom: 1px solid black;"><i>6 months ended 30 June 2017</i></th> <th style="text-align: center; border-bottom: 1px solid black;"><i>Year ended 31 December 2016</i></th> <th style="text-align: center; border-bottom: 1px solid black;"><i>Year ended 31 December 2015</i></th> </tr> <tr> <th></th> <th style="text-align: center;"><i>€m</i></th> <th style="text-align: center;"><i>€m</i></th> <th style="text-align: center;"><i>€m</i></th> </tr> </thead> <tbody> <tr> <td colspan="4"><b><u>Income Statement:</u></b></td> </tr> <tr> <td>Total operating income .....</td> <td style="text-align: right;">2,408</td> <td style="text-align: right;">4,672</td> <td style="text-align: right;">4,804</td> </tr> <tr> <td>Profit after tax .....</td> <td style="text-align: right;">371</td> <td style="text-align: right;">793</td> <td style="text-align: right;">947</td> </tr> <tr> <td colspan="4"><b><u>Balance Sheet:</u></b></td> </tr> <tr> <td>Loans and advances to banks</td> <td style="text-align: right;">3,029</td> <td style="text-align: right;">3,349</td> <td style="text-align: right;">4,578</td> </tr> <tr> <td>Loans and advances to customers</td> <td style="text-align: right;">76,895</td> <td style="text-align: right;">78,477</td> <td style="text-align: right;">84,689</td> </tr> <tr> <td>Other Assets .....</td> <td style="text-align: right;">42,095</td> <td style="text-align: right;">41,303</td> <td style="text-align: right;">41,693</td> </tr> <tr> <td><b>Total Assets</b> .....</td> <td style="text-align: right;"><b>122,019</b></td> <td style="text-align: right;"><b>123,129</b></td> <td style="text-align: right;"><b>130,960</b></td> </tr> <tr> <td>Deposits from banks .....</td> <td style="text-align: right;">5,027</td> <td style="text-align: right;">3,662</td> <td style="text-align: right;">952</td> </tr> <tr> <td>Debt securities in issue .....</td> <td style="text-align: right;">8,559</td> <td style="text-align: right;">10,697</td> <td style="text-align: right;">13,243</td> </tr> <tr> <td>Other Liabilities .....</td> <td style="text-align: right;">98,976</td> <td style="text-align: right;">99,368</td> <td style="text-align: right;">107,652</td> </tr> <tr> <td><b>Total Liabilities</b> .....</td> <td style="text-align: right;"><b>112,562</b></td> <td style="text-align: right;"><b>113,727</b></td> <td style="text-align: right;"><b>121,847</b></td> </tr> <tr> <td><b>Total Equity</b> .....</td> <td style="text-align: right;"><b>9,457</b></td> <td style="text-align: right;"><b>9,402</b></td> <td style="text-align: right;"><b>9,113</b></td> </tr> </tbody> </table> <p>Save as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Group taken as a whole since 30 June 2017 and no material adverse change in the financial position or prospects of BOI since 31 December 2016.</p> |                                    | <i>6 months ended 30 June 2017</i> | <i>Year ended 31 December 2016</i> | <i>Year ended 31 December 2015</i> |                                 | <i>€m</i> | <i>€m</i>                    | <i>€m</i> | <b><u>Income Statement:</u></b>     |   |                              |  | Total operating income ..... | 2,408  | 4,672                     | 4,804         | Profit after tax ..... | 371 | 793 | 947 | <b><u>Balance Sheet:</u></b> |  |  |  | Loans and advances to banks | 3,029 | 3,349 | 4,578 | Loans and advances to customers | 76,895 | 78,477 | 84,689 | Other Assets ..... | 42,095 | 41,303 | 41,693 | <b>Total Assets</b> ..... | <b>122,019</b> | <b>123,129</b> | <b>130,960</b> | Deposits from banks ..... | 5,027 | 3,662 | 952 | Debt securities in issue ..... | 8,559 | 10,697 | 13,243 | Other Liabilities ..... | 98,976 | 99,368 | 107,652 | <b>Total Liabilities</b> ..... | <b>112,562</b> | <b>113,727</b> | <b>121,847</b> | <b>Total Equity</b> ..... | <b>9,457</b> | <b>9,402</b> | <b>9,113</b> |
|                                     | <i>6 months ended 30 June 2017</i>                           | <i>Year ended 31 December 2016</i>  | <i>Year ended 31 December 2015</i> |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
|                                     | <i>€m</i>  | <i>€m</i>   | <i>€m</i>                          |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b><u>Income Statement:</u></b>     |  |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Total operating income .....        | 2,408  | 4,672   | 4,804                              |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Profit after tax .....              | 371  | 793   | 947                                |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b><u>Balance Sheet:</u></b>        |  |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Loans and advances to banks         | 3,029  | 3,349   | 4,578                              |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Loans and advances to customers     | 76,895   | 78,477  | 84,689                             |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Other Assets .....                  | 42,095   | 41,303  | 41,693                             |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b>Total Assets</b> .....           | <b>122,019</b>   | <b>123,129</b>  | <b>130,960</b>                     |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Deposits from banks .....           | 5,027  | 3,662   | 952                                |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Debt securities in issue .....      | 8,559  | 10,697  | 13,243                             |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Other Liabilities .....             | 98,976   | 99,368  | 107,652                            |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b>Total Liabilities</b> .....      | <b>112,562</b>   | <b>113,727</b>  | <b>121,847</b>                     |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b>Total Equity</b> .....           | <b>9,457</b>   | <b>9,402</b>  | <b>9,113</b>                       |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
|                                     | <b>Selected historical key financial information of BOIG</b> | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; border-bottom: 1px solid black;"><i>Period ended 30 June 2017</i></th> </tr> <tr> <th></th> <th style="text-align: center;"><i>€</i></th> </tr> </thead> <tbody> <tr> <td colspan="2"><b><u>Income Statement:</u></b></td> </tr> <tr> <td>Total operating income .....</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Profit after tax for the year .....</td> <td style="text-align: right;">0</td> </tr> <tr> <td colspan="2"><b><u>Balance Sheet:</u></b></td> </tr> <tr> <td>Debtors .....</td> <td style="text-align: right;">27,800</td> </tr> <tr> <td><b>Total Assets</b> .....</td> <td style="text-align: right;"><b>27,800</b></td> </tr> </tbody> </table>   |                                    | <i>Period ended 30 June 2017</i>   |                                    | <i>€</i>                           | <b><u>Income Statement:</u></b> |           | Total operating income ..... | 0         | Profit after tax for the year ..... | 0 | <b><u>Balance Sheet:</u></b> |  | Debtors .....                | 27,800 | <b>Total Assets</b> ..... | <b>27,800</b> |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
|                                     | <i>Period ended 30 June 2017</i>                             |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
|                                     | <i>€</i>   |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b><u>Income Statement:</u></b>     |  |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Total operating income .....        | 0  |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Profit after tax for the year ..... | 0  |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b><u>Balance Sheet:</u></b>        |  |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| Debtors .....                       | 27,800   |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |
| <b>Total Assets</b> .....           | <b>27,800</b>  |   |                                    |                                    |                                    |                                    |                                 |           |                              |           |                                     |   |                              |  |                              |        |                           |               |                        |     |     |     |                              |  |  |  |                             |       |       |       |                                 |        |        |        |                    |        |        |        |                           |                |                |                |                           |       |       |     |                                |       |        |        |                         |        |        |         |                                |                |                |                |                           |              |              |              |

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|             |  | <p>Called up share capital ..... 25,022</p> <p>Undenominated capital account.. 2,778</p> <p><b>Total Equity</b> ..... <b>27,800</b></p> <p>Save as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Group taken as a whole since 30 June 2017 and no material adverse change in the financial position or prospects of BOIG since 28 November 2016 (being the date of incorporation of BOIG).</p>  |
| <b>B.13</b> | <b>Recent events materially relevant to an evaluation of the Issuer's solvency</b> | Not applicable - there are no recent events materially relevant to an evaluation of either Issuer's solvency.  |
| <b>B.14</b> | <b>Dependence on other entities within the Group</b>                               | <p>See Element B.5.</p> <p>BOI is an operating bank and is not dependent on other entities within the Group.</p> <p>BOIG is a non-operating holding company and conducts substantially all of its operations through its subsidiaries. BOIG's ability to make payments to the holders of the Notes depends largely upon the receipt of dividends, distributions, loans or advances from its subsidiaries.</p>  |
| <b>B.15</b> | <b>Principal activities</b>  | The Group provides a broad range of banking and other financial services. These services include: current account and deposit services, overdrafts, term loans, mortgages, business and corporate lending, international asset financing, leasing, instalment credit, invoice discounting, foreign exchange facilities, interest and exchange rate hedging instruments, life assurance, pension and protection products. All of these services are provided by the Group in Ireland with selected services being offered in the UK and internationally. The Group generates the majority of its revenue from traditional lending and deposit taking activities as well as fees for a range of banking and transaction services. The Group operates an extensive distribution network of over 250 branches and c. 1,750 ATMs in Ireland and access to c. 11,500 branches and c. 2,500 ATMs in the UK via the Group's relationship as financial services partner with the UK Post Office. The Group also has access to distribution in the UK via its partnership with the AA and through a number of strategic intermediary relationships.  |
| <b>B.16</b> | <b>Controlling shareholders</b>  | BOI is a wholly-owned subsidiary of BOIG. BOIG is not aware of any person or persons who, directly or indirectly, owns and controls or could own and control BOIG.   |
| <b>B.17</b> | <b>Credit ratings assigned to the Issuer</b>                                       | <p>As at the date of this Prospectus, the long-term/short term Issuer credit ratings for BOI are:</p> <ul style="list-style-type: none"> <li>• "BBB (Stable)" / "A-2" from Standard &amp; Poor's Credit Market Services Europe Limited ("Standard &amp; Poor's");</li> <li>• "Baa1 (Positive)" (Deposit Rating: "A3 (Positive)") / "P-2" from Moody's Investors Services Limited ("Moody's");</li> <li>• "BBB- (Positive)" / "F3" from Fitch Ratings Limited ("Fitch"); and</li> <li>• "A (Low) (Stable)" / "R-1 (low) (Stable)" from DBRS Ratings Limited ("DBRS").</li> </ul> <p>As at the date of this Prospectus, the long-term/short term Issuer credit ratings for BOIG are:</p> <ul style="list-style-type: none"> <li>• "BBB- (Stable)" / "A-3" from Standard &amp; Poor's;</li> <li>• "Baa3 (Positive)" from Moody's; and</li> <li>• "BBB- (Positive)" / "F3" from Fitch.</li> </ul> <p><i>Each of Standard &amp; Poor's, Moody's, Fitch and DBRS is established in the EU and is registered under Regulation (EC) No 1060/2009 (as amended) (the "CRA Regulation"). In general, European regulated investors may use credit ratings for regulatory purposes only if they are issued by a credit rating agency established in the EU and registered in accordance with the CRA Regulation (or is endorsed and</i></p> |

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|  |  | <p><i>published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation).</i></p> <p><b>Issue specific summary:</b></p> <p>[The Notes [have been]/[are expected to be] rated [ ] by Standard &amp; Poor's and [ ] by Moody's. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p> <p>[Not Applicable - No ratings have been assigned to the Issuer or its debt securities at the request of or with the co-operation of the Issuer in the rating process.]</p> |
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**Section C– Notes**

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| <b>C.1</b>  | <b>Type and class of Notes/ISIN</b>  | <p>The Notes described in this section are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency). The Notes to be issued under the Programme may be Fixed Rate Notes, Floating Rate Notes, Fixed Rate Reset Notes, Zero Coupon Notes or a combination of the foregoing.</p> <p><b>Issue specific summary:</b></p> <p>The Notes are [£/€/U.S.\$/other] [ ] [[ ] per cent./Floating Rate/Zero Coupon/[other]] Notes due[ ].</p> <p>Notes are issued in separate Series [which may comprise one or more Tranches]. The Series number is [ ]. [The Tranche number is [ ].]</p> <p>International Securities Identification Number (ISIN): [ ]</p> <p>The Common Code is [ ].</p> <p>[The Notes will be consolidated and form a single series with [identify earlier Tranches] on [the Issue Date/ exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, which is expected to occur on or about [date]]]</p>   |
| <b>C.2</b>  | <b>Currency of issue</b>   | <p>Subject to any applicable legal or regulatory restrictions, the currency of each Series of Notes will be agreed between the Issuer, the relevant Dealer(s) and the Agent at the time of issue.</p> <p>The currency of this Series of Notes is [Pounds Sterling (“£”)/Euro (“€”)/U.S. dollars (“U.S.\$”)/ [ ] ([ )].</p>   |
| <b>C.5.</b> | <b>Restrictions on transferability</b>   | <p>No beneficial owner of an interest in a Global Note will be able to transfer such interest, except in accordance with the applicable procedures of the Clearing Systems, in each case to the extent applicable. In addition, prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to each Tranche of Notes, beneficial interests in a Global Note may not be offered or sold within the United States or to, or for the account or benefit of, a US person and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Global Note will bear a legend regarding such restrictions on transfer.</p> <p>[There are no restrictions on the free transferability of the Notes.]</p>  |
| <b>C.8</b>  | <b>Rights attaching to the Notes, including ranking and limitation to those rights</b> | <p><b>Status of Ordinary Notes:</b> The Ordinary Notes and the Coupons relating thereto (if any) are unsubordinated obligations of the Issuer and rank <i>pari passu</i> without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations other than subordinated obligations (if any) of the Issuer from time to time outstanding.</p> <p><b>Status of Dated Subordinated Notes:</b> The Dated Subordinated Notes and the Coupons relating thereto (if any) constitute unsecured and subordinated obligations of the Issuer and rank <i>pari passu</i> without any preference among themselves. In a winding-up of the Issuer, claims in respect of the Dated Subordinated Notes and the Coupons relating thereto (if any) will be subordinated to all claims in respect of unsubordinated obligations of the Issuer, and may also be subordinated to claims in respect of other, more senior-ranking subordinated obligations of the Issuer.</p> <p><b>Taxation:</b> All payments in respect of the Notes will be made without deduction for, or on account of, withholding taxes imposed by Ireland, or any political subdivision or any authority thereof or therein having power to tax, unless the Issuer shall be obliged by law to make such deduction or withholding. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted; provided</p> |

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|     |  | <p>that in the case of Dated Subordinated Notes, additional amounts will only be paid in respect of any such withholding or deduction on payments of interest and not on payments of principal.</p> <p><b>Prescription:</b> To the extent permitted by applicable law, the Bearer Notes and Coupons will become void unless presented for payment within a period of 12 years from the Relevant Date in respect thereof and claims in respect of Registered Notes shall become prescribed unless made within a period of 12 years from the Relevant Date in respect thereof. “<b>Relevant Date</b>” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.</p> <p><b>Events of Default:</b> The terms of the Ordinary Notes which specify “<i>Restricted Events of Default</i>” as “<i>Not Applicable</i>” in the applicable Final Terms will contain, <i>inter alia</i>, the following events of default:</p> <ul style="list-style-type: none"> <li>(i) default in payment of principal or interest due in respect of the Notes, continuing for a specified period of time;</li> <li>(ii) default by the Issuer in the performance or observance of any obligation, condition or provision under the Notes or the Trust Deed (other than any obligation for the payment of any amount due in respect of any of the Notes) and (except where the Trustee considers the failure to be incapable of remedy) continuing for a specified period of time; and</li> <li>(iii) events relating to the insolvency or winding up of the Issuer.</li> </ul> <p>The terms of the Ordinary Notes which specify “<i>Restricted Events of Default</i>” as “<i>Applicable</i>” in the applicable Final Terms and the Dated Subordinated Notes will contain, <i>inter alia</i>, the following limited events of default:</p> <ul style="list-style-type: none"> <li>(i) default in payment of principal or interest due in respect of the Notes, continuing for a specified period of time;</li> <li>(ii) events relating to the winding up of the Issuer; and</li> <li>(iii) default by the Issuer of its obligations under the Notes, Coupons or Trust Deed in certain circumstances and subject to certain conditions.</li> </ul> <p>In respect of Ordinary Notes where “<i>Restricted Events of Default</i>” apply and Dated Subordinated Notes, there will be no acceleration of any amounts under the Notes except in a winding-up of the Issuer.</p> |
| C.9 | <p><b>Interest, Redemption and Representation:</b></p> <p><b>The nominal interest rate</b></p> | <p>See Element C.8 for the Rights attached to the Notes, ranking and limitations.</p> <p>Notes may be fixed rate Notes, floating rate Notes, fixed rate reset Notes or zero coupon Notes (respectively “<b>Fixed Rate Notes</b>”, “<b>Floating Rate Notes</b>”, “<b>Fixed Rate Reset Notes</b>” or “<b>Zero Coupon Notes</b>”) or a combination of any of the foregoing, depending upon the interest basis shown in the applicable Final Terms.</p> <p>Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.</p> <p>Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date specified in the applicable Final Terms at the rate(s) per annum equal to the Rate(s) of Interest specified in the applicable Final Terms. Subject as provided in Condition 5(f), interest will be payable in arrear on the Interest Payment Date(s) specified in the applicable Final Terms in each year up to (and including) the Maturity Date.</p> <p>Each Floating Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:</p> <ul style="list-style-type: none"> <li>(a) Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or</li> <li>(b) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “<b>Interest Payment Date</b>”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the</li> </ul>   |

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|  | <p>preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.</p>   |
| <p><b>The date from which interest becomes payable and the due dates for interest</b></p>                        | <p>Such interest will be payable in respect of each Interest Period (which expression means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).</p>  |
| <p><b>Where the rate is not fixed, description of the underlying on which it is based</b></p>                    | <p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., (“ISDA”) and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or</li> <li>(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.</li> </ul>  |
| <p><b>Maturity date and arrangements for the amortisation of the loan, including the repayment procedure</b></p> | <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes as set out in the applicable Final Terms.</p> <p><b>Maturity:</b> Such maturities as may be agreed between the Issuer and the relevant Dealer(s) and as set out in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.</p>   |
| <p><b>An indication of yield</b></p>   | <p><b>Early redemption:</b> The applicable Final Terms relating to each Tranche of Notes will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity or that such Notes will be redeemable prior to their stated maturity at the option of the Issuer and/or the holders of the Notes upon giving notice to the holders or the Issuer, as the case may be, on a date or dates specified and/or following the occurrence of certain specified events and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer(s) save that Final Terms may not provide that Notes, if not listed on a stock exchange or not admitted to trading on a regulated market, may be redeemed above par. The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.</p> <p><b>Yield:</b> for a particular issue of Fixed Rate Notes will be shown in the applicable Final Terms and represents the percentage rate of return paid if the security is held to its maturity date, based on the coupon rate, length of time to maturity, and market price, assuming a constant reinvestment rate over the life of the particular issue of Notes at fixed rate.</p> |
| <p><b>Name of Trustee</b></p>  | <p>The Law Debenture Trust Corporation p.l.c.</p>  |
| <p><b>Interest</b></p>   | <p><b>Issue specific summary:</b></p> <p>[The Notes bear interest [from their date of issue/from [ ]] at the fixed rate of [ ] per cent. per annum. The yield of the Notes is [ ] per cent. Interest will be paid [annually] in arrear on [ ] in each year. The first interest payment will be made on [ ].</p> <p>[The Notes bear interest [from their date of issue/from [ ]] at floating rates calculated by reference to [specify reference rate for Notes being issued] [plus/minus] a margin of [ ] per cent. Interest will be paid [semi-annually] in arrear on [ ] and [ ] in each year, subject to adjustment for non-business days. The first interest payment will be made on [ ].</p> <p>[The Notes do not bear any interest [and will be offered and sold at a discount to their nominal amount].]</p>  |
| <p><b>Redemption</b></p>   | <p>Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [ ] at par.</p> <p>The Notes may be redeemed early for tax reasons [or [specify any other early redemption option applicable to the Notes being issued]] at [specify the early redemption price and any maximum or minimum redemption amounts, applicable to the Notes being issued].</p>   |



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| <b>C.10</b> | <b>Derivative component of the interest payment</b>                                      | See Element C.9.<br>Not applicable – payments of interest on the Notes will not have a derivative component.  |
| <b>C.11</b> | <b>Application for listing and admission to trading</b>                                  | Notes may be admitted to the Official List of the Irish Stock Exchange and admitted to trading on its regulated market and may also be listed on the London Stock Exchange’s Regulated Market or such other or further stock exchange(s) and/or admitted to trading on the Official List of the UK Listing Authority or on such other/further markets (including regulated markets) as may be agreed between the Issuer and the relevant Dealer(s) in relation to each Series and disclosed in the Final Terms for such Series.<br><br><i>Issue specific summary:</i><br><br>[Application [has been][is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [regulated market of the Irish Stock Exchange/London Stock Exchange’s Regulated Market /other].] [The Notes are not intended to be admitted to trading on any market.] |
| <b>C.21</b> | <b>Market where Notes will be traded and for which the Prospectus has been published</b> | Notes may be admitted to the Official List of the Irish Stock Exchange and admitted to trading on its regulated market and may also be listed on the London Stock Exchange’s Regulated Market or such other or further stock exchange(s) and/or admitted to trading on the Official List of the UK Listing Authority or on such other/further markets (including regulated markets) as may be agreed between the Issuer and the relevant Dealer(s) in relation to each Series and disclosed in the Final Terms for such Series.   |

**Section D– Risks**

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| <b>D.2</b> | <b>Key risks specific to the Issuer</b> | <p><b>Factors which are material for the purpose of assessing risks associated with the Issuer and the Group</b></p> <p>In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer’s control. The Issuer has identified in this Prospectus a number of factors which could materially adversely affect its business and ability to make payments due under the Notes. These factors include:</p> <ul style="list-style-type: none"> <li>• Geopolitical uncertainty;</li> <li>• Changes to mortgage lending rules;</li> <li>• The Group’s business and financial performance has been and will continue to be affected by economic conditions globally, in Europe and, in particular, in Ireland and the UK;</li> <li>• A failure to effectively improve or upgrade the Group’s information technology infrastructure and management information systems in a timely manner could have a material adverse effect on its business, results of operations, financial condition and/or prospects;</li> <li>• The Group could be materially adversely affected by the UK’s withdrawal from the EU;</li> <li>• The Group is exposed to risks in relation to compliance with anti-corruption laws, anti-money laundering laws, laws to prevent the financing of terrorism and the imposition of economic sanctions programmes against certain countries, citizens and entities;</li> <li>• The Group is exposed to conduct risk in the execution of the Group’s activities and processes;</li> <li>• Downgrades to the Irish sovereign, BOI’s credit ratings or BOIG’s credit ratings or their outlooks could impair the Group’s access to private sector funding, trigger additional collateral requirements and weaken its financial position. As at the date of this Prospectus, certain of the credit ratings of BOIG are also lower than those of BOI;</li> <li>• Lack of liquidity to fund the Group’s business activities;</li> </ul> |
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|                   |  | <ul style="list-style-type: none"> <li>• Decreases in the credit quality of the Group’s borrowers and counterparties, could adversely affect the Group’s business;</li> <li>• The Group’s level of non-performing exposures (“NPEs”) on loans and advances to customers remains elevated;</li> <li>• The Group is subject to regulatory regimes which may require that it hold or raise additional capital and/or eligible liabilities or result in increased costs;</li> <li>• The Group’s business and operations are subject to substantial regulation and supervision and can be negatively affected by its non-compliance with certain existing regulatory requirements and any adverse regulatory and governmental developments;</li> <li>• The introduction of BOIG is expected to adversely impact the consolidated Group’s reported total capital, Tier 1 capital and leverage ratios;</li> <li>• The Group is exposed to market risks such as changes in interest rates, interest rate spreads (or bases) and foreign exchange rates;</li> <li>• Changes in taxation rates, legislation or practice may lead to adverse consequences for the Group;</li> <li>• Capital adequacy and its effective management, which is critical to the Group’s ability to operate its businesses and to pursue its strategy; and</li> <li>• Changes in financial reporting standards or policies (e.g. IFRS 9) could materially adversely affect the Group’s reported results of operations and financial condition and may have a material adverse effect on capital ratios.</li> </ul>   |
| <p><b>D.3</b></p> | <p><b>Key information on key risks specific to the Notes</b></p> | <p>There are also risks associated with specific types of Notes, and with the Notes and the markets generally including:</p> <ul style="list-style-type: none"> <li>• Notes are obligations of the Issuer only.</li> <li>• No secondary market or liquidity may develop with respect to the Notes.</li> <li>• A wide range of Notes may be issued under the Programme. Potential investors should consider the terms of Notes before investing.</li> <li>• Notes are subject to optional redemption by the Issuer.</li> <li>• Implementation of or actions taken pursuant to the Bank Recovery and Resolution Directive (as defined below) providing for write-down, conversion and bail-in powers, amongst other actions, may adversely affect the rights of the Noteholders and the price or value of their Notes.</li> <li>• Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.</li> <li>• Credit ratings assigned to the Notes may not reflect all risks.</li> <li>• Investors will have to rely on the clearing system procedures for transfers, payments and communication with the Issuer.</li> <li>• Notes that are required to be exchanged into Notes in definitive form will only be so exchanged in integral multiples of the minimum denomination.</li> <li>• Recognition of Notes issued in New Global Note Form as eligible collateral for monetary policy will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.</li> <li>• The past performance of Notes or other securities issued by the Issuer may not be a reliable guide to future performance of Notes.</li> <li>• The Notes may fall as well as rise in value and income or gains from Notes may fluctuate in accordance with market conditions and taxation arrangements.</li> <li>• Where Notes are denominated in a currency other than the reference currency used by the investor, changes in currency exchange rates may have an adverse effect on the value, price or income of the Notes.</li> <li>• It may be difficult for investors in Notes to sell or realise the Notes and/or obtain reliable information about their value or the extent of the risks to which they are</li> </ul> |

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|  |  | <p>exposed (other than as set out in this Prospectus).</p> <ul style="list-style-type: none"> <li>The implementation of the capital adequacy framework adopted by the Basel Committee on Banking Supervision may affect the risk-weighting of the Notes for investors who are or may become subject to capital adequacy requirements that follow the framework. Prospective investors in the Notes should consult their own advisors as to the consequences for them of the potential application to them of the Basel framework.</li> <li>The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”.</li> </ul> |
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Section E - Offer

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|-------------|---|---|
| <b>E.2b</b> | <b>Reasons for offer and use of proceeds when different from making profit and/or hedging certain risks</b> | <p>The net proceeds from each issue of Notes may be applied by the Issuer to support the business of the Group.</p> <p><i>Issue specific summary:</i></p> <p>[The net proceeds from the issue of the Notes will be used by the Issuer for [its general funding purposes] [and [ ]].]</p>  |
| <b>E.3</b>  | <b>Terms and conditions of the offer</b>  | <p>Under the Programme, the Notes may be offered to the public in a Public Offer in Ireland and the United Kingdom.</p> <p>The terms and conditions of each offer of Notes will be determined by agreement between the Issuer and the relevant Dealers at the time of issue and specified in the applicable Final Terms. An Investor intending to acquire or acquiring any Notes in a Public Offer from an Authorised Offeror will do so, and offers and sales of such Notes to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.</p> <p><i>Issue specific summary:</i></p> <p>[This issue of Notes is being offered in a Public Offer in [Ireland/ the United Kingdom].</p> <p>[Offer Price: [Not Applicable/[ ]]</p> <p>Conditions to which the offer is subject: [Not Applicable/[ ]]</p> <p>Description of the application process: [Not Applicable/[ ]]</p> <p>Details of the minimum and/or maximum amount of application (whether in numbers of securities or aggregate amount to invest): [Not Applicable/[ ]]</p> <p>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not Applicable/[ ]]</p> <p>Details of the method and time limits for paying up and delivering the Notes: [Not Applicable/[ ]]</p> <hr/> <p>Full description of the manner and date on which results of the offer are to be made to public: [Not Applicable/[ ]]</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/[ ]]</p> <p>Process for notification to applicants of the amount of Notes allotted and indication whether dealing may begin before notification is made: [Not Applicable/[ ]]</p> <p>Details of any tranche(s) reserved for specific country: [Not Applicable/[ ]]</p> <p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/[ ]]</p> |
|             |   | Name(s) and address(es), to the extent known [None/[ ]]   |

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|            |   | <p>to the Issuer, of the placers in the various countries where the offer takes place:</p> <p>Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment: [None/[ ]]</p>   |
| <b>E.4</b> | <b>Interests material to the issue/offer, including conflicting interests</b> | <p>Interests material to the issue/offer of Notes may arise principally as a result of the ordinary business activities of the Dealers and their affiliates, in the course of which they may make, hold and actively trade investments that may involve Notes and/or instruments of the Issuer or the Issuer's affiliates, including the Notes, and may hedge their credit exposure to the Issuer. Such hedging may include the purchase of credit default swaps or the creation of short positions in Notes of the Issuer or the Issuer's affiliates, including potentially the Notes.</p> <p>The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such Notes.</p> <p><i>Issue specific summary</i></p> <p>The [Dealers/Managers] will be paid aggregate commissions equal to [ ] per cent. of the nominal amount of the Notes. Any [Dealer/Manager] and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.</p> <p>[Other than as mentioned above,[ and save for [ ],] so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.]</p> |
| <b>E.7</b> | <b>Expenses charged to the investor</b>                                       | Not Applicable – No expenses will be charged to investors by the Issuer.   |

## RISK FACTORS

*Each of the Issuers believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuers are not in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each of the Issuers believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the relevant Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuers based on information currently available to them or which they may not currently be able to anticipate.*

*Prospective investors should consider all the material factors below before making any decision to invest in the Notes and should not base their decision solely on the key risk factors contained at Elements D.2 and D.3 of Section D 'Risks' of the Summary contained in this Prospectus. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

### **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING RISKS ASSOCIATED WITH THE ISSUERS**

#### ***Geopolitical uncertainty***

Geopolitical uncertainties could impact upon economic conditions in countries where the Group has exposures, market risk pricing and asset price valuations; potentially reducing returns.

#### ***Changes to mortgage lending rules***

On 9 February 2015, the Central Bank introduced mortgage lending rules, under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Housing Loan Requirements) Regulations 2015 (the "**Housing Loan Regulations 2015**"), which include loan-to-value ("**LTV**") rules which set a minimum deposit requirement for the purchase of property, and loan-to-income ("**LTI**") rules which set a maximum mortgage value which could be borrowed, measured against the borrower's gross salary. Specific LTV and LTI limits were introduced for purchasers of their principal dwelling houses including separate rules for first-time buyers, as well as those purchasing buy-to-let properties. These rules moderated residential property prices in Ireland and resulted in a reduction in mortgage lending following their introduction.

On 23 November 2016, the Central Bank announced amendments to the Housing Loan Regulations 2015 under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Housing Loan Requirements) (Amendment) Regulations 2016, which became effective on 1 January 2017. These amendments include the extension of the valuation period, the removal of the property value threshold of €220,000, and the amendment of the proportionate caps structure. The amendments also confine the regulations to loans where at least one borrower is a "consumer" as defined in the amendment. The definition includes natural persons acting for purposes outside his or her trade, business or profession; and individuals and companies that have a turnover of €3 million or less in the financial year ending before the mortgage loan is advanced (provided they do not belong to a group or partnership with a higher turnover). The impact that such amendments might have on the Irish property market and/or borrowing patterns is not yet known.

#### ***The Group's business and financial performance has been and will continue to be affected by economic conditions globally, in Europe and, in particular, in Ireland and the UK***

The Group is directly and indirectly subject to inherent risks arising from general economic conditions in Ireland, the UK, and the state of the European / global economy and financial markets both generally, and as they specifically affect financial institutions. Substantially all of the Group's loans and advances are to customers in Ireland and the UK. Specific risks facing the Group's business include, but are not limited to, the following:

- the re-emergence of any of the financial turbulence experienced during the global financial crisis or the reversal of the progress towards a return to sustainable economic and budgetary conditions that has already been achieved;

- an increase in speculation about European sovereign debt could impact sentiment towards other Eurozone bond markets and broader international debt markets. International debt markets could also be impacted by more general concerns over levels of fiscal deficits, requirement for support of the banking system, sovereign debt levels of Member States, speculation about the stability of the Eurozone and the potential impact of these factors on the individual Member State economies, including Ireland and the UK;
- any period of unpredictable movements, severe dislocations and liquidity disruptions in the financial markets in the Eurozone or elsewhere, could lead to a reduction in the demand for some of the Group's banking services and products and may also impede the Group's ability to raise capital or funding. This could result in, among other things, the issuance of capital and funding of different types or under different terms than otherwise would have been issued or realised, or the incurrence of additional or increased funding and capital costs compared to the costs borne in a more stable market environment;
- financial institutions have a high level of interdependence as a result of credit, trading, clearing and other relationships between them. As a result, a default or threatened default or concerns about a default or threatened default by one institution could affect other institutions and lead to significant market-wide liquidity problems and financial losses for other financial institutions. It may even lead to defaults of other financial institutions, which is a risk, sometimes referred to as "systemic risk";
- systemic risk in the global financial industry is still at an elevated level. High sovereign indebtedness, low capital levels at certain banks and the high interconnectivity between the largest banks and certain economies are important factors that contribute to this systemic risk. A systemic risk event may also have a material adverse effect on other financial intermediaries, such as clearing agencies, clearing houses, securities firms and exchanges, to which the Group is exposed;
- weaker activity in the UK economy, and a further devaluation in Sterling, following the result of the UK referendum on membership of the EU (the "**UK Referendum**")/withdrawal from the EU (see the risk factor entitled "*The Group could be materially adversely affected by the UK's withdrawal from the EU*");
- potential deterioration in the economic, social and political conditions in Europe, changes to the political leadership of member countries of the Eurozone as a result of national elections in the short to medium term (for example, Germany or Italy), and/or other political instability or unrest that impacts Europe and/or other regions could result in increased volatility in the general economic or political conditions of those countries and/or regions;
- potential referenda on continued EU membership in other countries and the possibility of further exits from or the break-up of the EU;
- the withdrawal from the Euro by one or more countries that have already adopted its use and, in an extreme scenario, the cessation of the use of the Euro could result in the dissolution of the European Monetary Union (the "**EMU**"). This could lead, *inter alia*, to the re-introduction of individual currencies in one or more EMU member states and the redenomination of financial instruments from Euro to a different currency, the effects of which are impossible to predict fully;
- changes in property prices in Ireland and/or the UK—see the risk factor entitled "*Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business*" for further details;
- higher unemployment rates, constraints on household income and high debt levels in Ireland and the UK—see the risk factor entitled "*Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business*" for further details;
- any of a substantial increase in interest rates in the short to medium term, a prolonged period of continuing low interest rates, or the introduction of legislation in relation to the setting of variable mortgage interest rates in Ireland and/or the UK—see the risk factor entitled "*Decreases in the credit quality of the Group's borrowers and counterparties, could adversely affect the Group's business*" for further details;
- a prolonged low interest rate environment has contributed to a 'search for yield' and an associated compression of risk premia. Changes in market sentiment could result in an abrupt increase in risk premia, causing dislocation in global financial markets which could have an adverse effect on economic activity, including in Ireland and the UK;

- changes to the mortgage lending rules imposed by the regulators in the markets in which the Group operates—see the risk factor entitled “*Decreases in the credit quality of the Group’s borrowers and counterparties, could adversely affect the Group’s business*” for further details;
- changes in interest rates for mortgage lending—the regulatory authorities (for example, the Central Bank) or the Irish Government may introduce new requirements or ceilings in relation to the interest rates that the Group charges for mortgage lending. A material decrease in interest rates for mortgage lending, without a comparable decrease in funding and capital costs for the Group, could adversely impact the profitability of the Group;
- prolonged deleveraging/risk aversion as a result of the recent economic crisis could adversely impact credit formation and negatively affect the Group’s business;
- an increase in protectionism resulting in weaker global trade and economic activity in addition to growing populism and increasing economic and political uncertainty;
- the changed political leadership of the United States of America and any resulting changes to areas of policy that could impact the global economy and/or the markets in which the Group operates (for example, significant reductions in the US corporate tax rate and/or material changes to US fiscal, monetary, trade and/or foreign policy);
- any material adverse effect on the financial and political resources of the EU as a result of the continuing Syrian war and the related refugee crisis; and
- a pronounced rise in oil prices stemming from heightened geo-political tensions in particular regions of the world could reduce the spending power of consumers and lower corporate profitability in Ireland and the UK.

***A failure to effectively improve or upgrade the Group’s information technology infrastructure and management information systems in a timely manner could have a material adverse effect on its business, results of operations, financial condition and/or prospects***

The ability of the Group to remain competitive and improve its competitive position depends in part on its ability to deliver IT programmes and upgrades on a timely and cost-effective basis. The Group’s multi-year integrated plan for technology change (the “**Integrated Plan**”) will require the Group to make significant investment on a continuing basis. The Group’s Integrated Plan has been deployed to address its IT upgrade challenges, capabilities and opportunities, including regulatory-driven requirements and marketplace developments more generally. The Integrated Plan establishes the delivery path for key strategic programmes including, inter alia, the upgrade of the Core Banking, Channels and Payments Programme, compliance and regulatory change programmes and implementation of essential security and stabilisation projects, covering a multi-year period from the second half of 2016 as a rolling technology plan. The Integrated Plan has been developed in conjunction with key strategic technology providers and subject matter experts from across the Group. The Group has put in place an overarching ‘Integrated Plan’ and supporting Integrated Planning Office to ensure the increasing and divergent IT change demand profile is holistically managed within risk, budgetary and financial constraints. The Integrated Plan has also been designed to explicitly include achievement of the requirements of mandatory external regulatory requirements (e.g. IFRS 9 and Directive (EU) 2015/2366 on Payment Services in the Internal Market and Immediate Payments (“**PSD2**”). Additionally, the Integrated Plan addresses regulatory expectations by way of having a strategic road map for achievement of relevant key Group programmes.

Given the complexity of the subject matter and the pace of industry and regulatory change, the Group cannot provide assurance that the design of the programmes within the Integrated Plan will meet systems, regulatory or market requirements or expectations in full or part, or that it or they will do so to the anticipated timetable. As is the case for many established financial services providers, in a rapidly changing technology environment and in dealing with legacy systems, there is a risk that the investment as anticipated may not deliver the envisaged outcomes, and that the Integrated Plan may not deliver to expectations or that the investment required turns out to be more than originally considered. There is also a risk that the Group may not be able to engage or retain all of the third-party providers and/or key staff that are the optimal providers and integrators of such technology and change. Neither can the Group provide assurance that it will be able to maintain the level of operating and capital expenditure necessary to support the improvement or upgrading of its information technology infrastructure. The full successful implementation of the Integrated Plan may also necessitate a level of behavioural and organisational change within the Group, which may fail to materialise in whole or part and which may have unforeseen potential consequences. The Integrated Plan places incremental

operational risk management challenges on the Group, which, if not successfully managed, could have a negative impact on its future relationships with its regulators and its customers who, notwithstanding the anticipated operational benefits, may also react negatively to a potential streamlining of product offering that may flow from the redesign of systems. Additionally, regulatory requirements and expectations may change (see the risk factor entitled “*The Group’s business and operations are subject to substantial regulation and supervision and can be negatively affected by its non-compliance with certain existing regulatory requirements and any adverse regulatory and governmental developments*”) resulting in misalignment and/or material additional requirements and/or costs for the Integrated Plan, with potential regulatory censure or sanctions for failure or delays in delivery.

A failure to effectively improve or upgrade the Group’s information technology infrastructure and management information systems in a timely manner could have a material adverse effect on the Group’s business, results of operations, financial condition and/or prospects.

***The Group could be materially adversely affected by the UK’s withdrawal from the EU***

The result of the UK Referendum has had an effect on financial markets and may have an impact on the Irish, Northern Irish, UK, EU and global economies. On 29 March 2017, the British Government notified the European Council in accordance with Article 50(2) of the Treaty on the European Union of the UK’s intention to withdraw from the EU. The precise timing and the manner of the UK’s withdrawal from the EU and the terms of the successor arrangements between the UK and the EU are currently unknown and may not become clear for some time. There is considerable uncertainty surrounding the impact of the UK’s withdrawal from the EU on general economic conditions in Ireland, Northern Ireland, the UK, the EU and globally on the financial services industry and the legal and regulatory environment. This could in turn affect pricing, partner appetite, customer confidence and demand and customers’ ability to meet their financial obligations, and, consequently the Group’s financial performance. Other effects may include changes in official interest rate policy in both the UK and Eurozone, which can impact the Group’s revenues and also the Group’s IAS 19 defined benefit pension deficit, and foreign exchange rate changes, which can impact the translation of the Group’s UK net assets and profits. Uncertainty following the notification of the UK’s intention to withdraw from the EU may result in a reduction of investment and delays in capital expenditure decisions by businesses and a consequential reduction in demand for business lending. Such volatility and uncertainty may persist or worsen throughout any process of negotiation that may be required to determine the future terms of the UK’s relationship with the EU.

Withdrawal could, among other outcomes, disrupt the free movement of goods, services, capital and people between the UK and the EU (including Ireland), and, undermine bilateral cooperation in key policy areas as well as significantly disrupt trade. Moreover, Ireland would not be able to negotiate bilateral trade agreements with the UK under current EU rules.

The UK’s withdrawal from the EU could also have a further adverse effect on the value of Sterling and a significant change to the currency exchange rates between Euro and Sterling would affect the translation of the Group’s UK net assets and profits into Euro. Furthermore, any significant devaluation in Sterling may adversely impact Ireland’s export market to the UK which in turn could lead to an increase in unemployment. See Risk Factor entitled “*Decreases in the credit quality of the Group’s borrowers and counterparties, could adversely affect the Group’s business*”.

It is not yet known what impact the UK’s withdrawal from the EU will have on the approach of the UK regulatory authorities to the regulation of financial institutions in the future. In particular it is not yet known whether the requirements imposed on financial institutions in the UK by the UK regulatory authorities will be materially different from the requirements imposed in the EU by the European Central Bank (the “**ECB**”) and national authorities. Changes to the UK regulatory regime which applies to the Group’s business in the UK following the UK’s withdrawal from the EU (including, but not limited to, passporting (i.e. Bank of Ireland’s provision of banking services in the UK through its branch in the UK), data protection (in respect of intragroup transfers of data and relevant Group outsourcing arrangements), and the Group’s recovery and resolution arrangements (i.e. potential regulatory divergence in approach between UK and EU regulators) and additional costs) could have an adverse effect on the Group’s business, financial condition, results of operations and/or prospects.

The UK’s withdrawal from the EU could have a significant adverse effect on the economies of Ireland, Northern Ireland and the UK which could include, but may not be limited to, an adverse effect on consumer and business confidence and associated spending and investment, the ability of the Group’s customers to meet their financial obligations to the Group, collateral values, the pricing of the Group’s products and the introduction of new products by the Group. Any such adverse effect on the Irish and/or UK economies is likely to have an adverse effect on the Group’s business, financial condition, results of operations and/or prospects. In addition, as



the Group maintains significant operations in the UK, the UK's withdrawal from the EU could require the Group to make potentially significant changes to its operations in the UK and its legal structure.

***The Group is exposed to risks in relation to compliance with anti-corruption laws, anti-money laundering laws, laws to prevent the financing of terrorism and the imposition of economic sanctions programmes against certain countries, citizens and entities***

The Group is required to comply with the laws and regulations of various jurisdictions where it conducts operations. In particular, the Group's operations are subject to various anti-corruption, anti-money laundering and terrorism financing laws, including the key principles of the UK Bribery Act of 2010 as part of the Group's Anti-Bribery Policy, and economic sanction programmes, including those administered by the United Nations and the EU, as well as those of the United States Department of Treasury's Office for Foreign Assets Control.

Failure to comply with financial sanctions legislation or to seek to circumvent its provisions or failure by the Group to adopt policies and procedures to be followed by persons involved in the conduct of its business, and that specify the Group's obligations in respect of the assessment and management of sanctions risk are criminal offences punishable upon conviction by monetary fines or terms of imprisonment or both. In addition, any failure of the Group's sanctions policies and procedures could lead to non-compliance with such sanctions and damage to the Group's reputation.

Although the Group has internal policies and procedures and several monitoring measures designed to ensure compliance with applicable anti-corruption, anti-money laundering and terrorism financing laws, and sanctions regulations, these policies and procedures cannot provide complete assurance that the Group's employees, directors, officers, partners, agents, service providers or introducers will not take actions in violation of its policies and procedures (or otherwise in violation of the relevant anti-corruption laws, and sanctions regulations) for which the Group or they may be ultimately held responsible. Litigation or investigations relating to alleged or suspected violations of anti-corruption, anti-money laundering and terrorism financing laws, and sanctions regulations could lead to financial penalties being imposed on the Group, limits being placed on the Group's activities, the Group's authorisations and licenses being revoked, damage to the Group's reputation and other consequences that could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects. Further, violations of anti-corruption, anti-money laundering and terrorism financing laws, and sanctions regulations could be costly.

In recent years, enforcement of these laws and regulations against financial institutions in Ireland and the UK has become more stringent and proactive, (for example, resulting in several landmark fines against UK financial institutions). The Financial Conduct Authority, in particular, has made financial crime and anti-money laundering a key topic to be addressed under its 2016/2017 Business Plan. The Central Bank has also focused on anti-money laundering and countering the financing of terrorism and financial compliance in the Irish financial services sector.

Failure by the Group to comply with all of the regulatory and legislative requirements in relation to anti-corruption, anti-money laundering, the financing of terrorism and/or sanction programmes in each of the jurisdictions in which it operates could have a material adverse effect on the Group, including its business, results of operations, financial condition and/or prospects, the imposition of a regulatory fine or other sanction, conviction of the directors and/or damage to the Group's reputation. See "*Description of BOI – Recent Developments*".

***The Group is exposed to conduct risk in the execution of the Group's activities and processes***

Conduct risk is the risk that the Group, and/or its staff, conduct business in an inappropriate or negligent manner that leads to adverse customer outcomes. Conduct risk management is about ensuring that business units are provided with the tools they need to enable them to take a customer-centric approach to managing their business.

Conduct risk is one of the Group's top risks in the Group Risk Appetite Statement. To support the management of conduct risk this Conduct Risk Management Framework has been developed by the Conduct Risk team in Group Compliance and Regulatory Risk division.

The Group is exposed to conduct risk as a direct and indirect consequence of its normal business activities. These risks may materialise in the day-to-day execution of business processes, provision of sales and services, management of key stakeholder expectations and the various activities performed by staff, contractors and third party suppliers.

Negative public, industry, government or other key external stakeholder opinion can result from the actual or perceived manner in which the Group conducts its business activities or from actual or perceived practices in the banking and financial industry. Such negative opinions may adversely affect the Group's ability to keep and attract customers which in turn may adversely affect the Group's business, financial condition, results of operations and/or prospects. While the Group has a code of conduct in place which sets out the standards expected of all Directors, officers and employees of the Group, in addition to Conduct Risk Policy Standards and Frameworks, the Group may not be successful in avoiding damage to its business from conduct risk.

Failure to adequately address conduct risk in a timely manner, or at all, could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

***Downgrades to the Irish sovereign, BOI's credit ratings or BOIG's credit ratings or their outlooks could impair the Group's access to private sector funding, trigger additional collateral requirements and weaken its financial position. As at the date of this Prospectus, certain of the credit ratings of BOIG are also lower than those of BOI***

As at the date of this Prospectus, the long-term / short-term sovereign credit ratings for Ireland were: "A+ (Stable)" / "A-1" from Standard & Poor's; "A3 (Positive)" / "P-2" from Moody's; "A (Stable)" / "F1" from Fitch; "A (high) (Stable trend)" / "R-1 (middle)" from DBRS, Inc. and "A (Stable)" / "a-1" from Rating and Investment Information, Inc. ("**R&I**") (Source: National Treasury Management Agency (NTMA) website).

Each of Standard & Poor's, Moody's, Fitch and DBRS is established in the EU and is registered under the CRA Regulation. DBRS, Inc. and R&I are not established in the EU and are not registered under the CRA Regulation. In general, European regulated investors may use credit ratings for regulatory purposes only if they are issued by a credit rating agency established in the EU and registered in accordance with the CRA Regulation (or are endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation).

As at the date of this Prospectus, long-term / short-term Issuer credit ratings for BOI were: "BBB (Stable)" / "A-2" from Standard & Poor's; "Baa1 (Positive)" (Deposit-Rating: "A3 (Positive)") / "Prime-2" from Moody's; "BBB- (Positive)" / "F3" from Fitch; and "A (low (Stable))" / "R-1 (low) (Stable)" from DBRS.

As at the date of this Prospectus, long-term / short-term Issuer credit ratings for BOIG were: "BBB- (Stable)" / "A-3" from Standard & Poor's; "Baa3 (Positive)" from Moody's and "BBB- (Positive)" / "F3" from Fitch.

Downgrades of the Irish sovereign credit ratings could negatively impact access to market funding for the Irish State and may impact the Group's access to private sector funding, trigger additional collateral requirements and weaken the financial position of the Group. Downgrades could also adversely impact the funding received from Irish government bonds used as collateral for the purposes of accessing the liquidity provision operations offered by monetary authorities (the "**Monetary Authorities**") or secured borrowing from wholesale markets and the value of Irish government bonds held by the Group's life assurance business to meet its liabilities.

The Group's credit ratings are subject to change and could be downgraded as a result of many factors, including a reduction in the Group's credit strength and the credit strength of the Group's collateral, or the failure of the Group to implement its strategies successfully. Downgrades in the credit ratings of the Group could have a negative impact on the volume and pricing of its private sector funding and its financial position, restrict the Group's access to the capital and wholesale funding markets, trigger material collateral requirements or associated obligations in other secured funding arrangements or derivative contracts, make ineligible or lower the liquidity value of pledged securities and weaken the Group's competitive position in certain markets. In addition, downgrades in the credit rating of the Group may have an adverse effect on the Group's ability to hedge its foreign currency and other market risk exposures and to manage its Euro and non-Euro liquidity reserves. The availability of deposits is often dependent on credit ratings and downgrades for the Group could lead to withdrawals of retail deposits and/or corporate deposits which could result in deterioration in the Group's funding and liquidity position. If any of the above was to happen, it could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects and on its liquidity and funding. This would further limit its access to funding and could further materially affect the Group's business, results of operations, financial condition and/or prospects, and could prevent the Group meeting its minimum funding requirements.

The Group routinely transacts with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks and other institutional clients. Sovereign credit pressures may weigh on Irish financial institutions, limiting their funding operations and weakening their capital adequacy by

reducing the market value of their sovereign and other fixed income holdings. These liquidity and capital concerns could adversely affect inter-institutional financial transactions.

### ***Lack of liquidity to fund the Group's business activities***

The Group strategy is to be a substantially customer deposit funded bank and to focus on maintaining stable relationship based deposits through its retail distribution network in Ireland and its strategic partnerships in the UK with its loan portfolios funded by retail customer deposits and any residual funding requirement principally met through term wholesale funding and equity.

Increases in the cost of such funding would adversely affect the Group's margins and results of operations, and a lack of, or decrease in, the availability of such retail and corporate deposit funding could restrict the Group's ability to fund its balance sheet and could constrain new lending which could in turn negatively impact the Group's future growth.

Furthermore, any serious loss of confidence by retail depositors which results in significant withdrawals of deposits would have significant impact on the Group's liquidity position and this could lead to the imposition of administrative actions or sanctions against the Group by its regulators and in an extreme scenario lead to a suspension or revocation of the Group's banking licence.

The Group defines wholesale funding as unsecured interbank borrowings, senior unsecured debt securities issued, secured wholesale market borrowings, the proceeds of securitisations and funding from the Monetary Authorities.

The Group's use of wholesale funding was €14.4 billion as at 31 December 2016 representing approximately 16 per cent. of its funding base. Notwithstanding the relatively low quantum of wholesale funding required by the Group, if wholesale markets remained closed for an extended or prolonged period, or if there was a significant reduction in investor demand for the Group's wholesale funding issuance, or a significant increase on the acquisition cost of wholesale funding, this may have an adverse impact on the liquidity and profit and loss position of the Group and may result in reliance by the Group on funding from Monetary Authorities.

In the Eurozone, the ECB and the national central banks have adopted monetary easing policies and, consequently, made available monetary policy tools such as Targeted Longer-Term Refinancing Operations (TLTRO), and asset purchase programmes.

Financial institutions in the Eurozone, including the Group, utilise these programmes and, given the interdependence between financial institutions in the Eurozone, the cessation of these programmes and of any other accommodative monetary policies could have a material adverse effect on the financial condition of these financial institutions, including the Group, and any deterioration, or perceived deterioration, in these financial institutions could also result in an adverse effect on the Group in terms of its perception, business, financial condition, results of operations and/or prospects. There can be no assurance that the ECB or the national central banks will continue to adopt accommodative monetary policies or that the employment of these policies will be sufficient to address the fiscal risks which remain.

As a result of increased market uncertainty following the UK referendum to leave the EU, the Bank of England announced the Term Funding Scheme (the "TFS") which was designed to provide cheaper funding to banks in order to facilitate increased lending to the SME and Personal (non-mortgage) sectors in the UK. The Group has direct access to the monetary operations of the Bank of England including the TFS.

The Group must comply with the regulatory liquidity requirements of the Single Supervisory Mechanism (the "SSM") and the requirements of local regulators in those jurisdictions where such requirements apply to the Group.

SSM requirements include compliance with the CRD IV legislation (as defined under "*Banking Law and Regulation*" below) and the supplementary Delegated Acts which are a comprehensive set of measures to strengthen the regulation, supervision and risk management of the banking sector.

These regulations introduce minimum liquidity requirements for regulated entities including the Liquidity Coverage Ratio ("LCR") which requires banks to have sufficient high-quality liquid assets to withstand a 30-day stressed funding scenario.

Additionally it is proposed that the Net Stability Funding Ratio ("NSFR"), which requires banks to have sufficient quantities of funding from stable sources, will come into force in 2019 at the earliest.

Relevant supervisory authorities may determine additional liquidity requirements specific to the Group (such specific additional liquidity or capital requirements are commonly referred to as “**Pillar II**” add-ons). Compliance with these requirements can be impacted by a range of factors, including the stability of customer deposits, the split between unsecured and secured funding, the mix of liquidity facilities provided by Monetary Authorities and the concentration of wholesale funding maturity, and may be subject to change in the future. Failure to comply with these requirements could result in regulatory sanctions and adversely impact the Group’s reputation and prospects.

***Decreases in the credit quality of the Group’s borrowers and counterparties, could adversely affect the Group’s business***

Credit risk is the risk that a borrower or counterparty will be unable or unwilling to meet a commitment that it has entered into or that any pledged collateral does not fully cover the lender’s claims. Risks arising from changes in credit quality and the recoverability of both secured and unsecured loans and amounts due from counterparties are inherent in a wide range of the Group’s businesses. The Group has exposures to residential mortgages, retail borrowers, SME and corporate borrowers in different sectors and investors in commercial property and residential property.

Other sources of credit risk include, but are not limited to, the extension of credit commitments and guarantees, the holding of investments for liquidity purposes, inter-bank transactions, letters of credit and trade financing, derivative transactions entered into for hedging purposes, foreign exchange transactions, placing of deposits, acceptances and the settlement of transactions.

In the ordinary course of its operations, the Group estimates and establishes provisions for credit risks and the potential credit losses inherent in these exposures. This process, which is critical to the Group’s results and financial condition, requires complex judgements, including forecasts of how changing macroeconomic conditions might impair the ability of borrowers to repay their loans. The Group may fail to adequately identify the relevant factors or accurately estimate the impact and/or magnitude of identified factors, which could materially adversely affect the Group’s business, results of operations, financial condition and/or prospects.

Further, there is a risk that, despite the Group’s belief that it conducts an accurate assessment of borrower credit quality, borrowers are unable to meet their commitments as they fall due as a result of borrower specific circumstances, macro-economic factors or other external factors. The failure of borrowers to meet their commitments as they fall due may result in higher impairment charges or a negative impact on fair value in the Group’s lending portfolio. A deterioration in borrower credit quality and the consequent increase in impairments could have a material adverse effect on the Group’s business, results of operations, financial condition and/or prospects.

The Group’s primary markets are Ireland and the UK. At 31 December 2016, based on the geographic location of the customer, 54 per cent. of the Group’s loans and advances to customers were in Ireland, 40 per cent. in the UK and 6 per cent. in other jurisdictions. As at 31 December 2016, residential mortgages represented 59 per cent. of total loans and advances to customers. Residential mortgage exposures originated and managed in Ireland and the UK represent a material concentration of credit risk.

Economic conditions may deteriorate in the Group’s main markets, which may lead to, amongst other things, counterparties and borrowers experiencing an adverse financial situation, declines in values of collateral (including residential and commercial property values) and investments, increases in unemployment levels, weak consumer and corporate spending, declining corporate profitability, declining equity markets and bond markets and an increase in corporate insolvencies. This may give rise to deterioration in the credit quality of the Group’s borrowers and counterparties and increased difficulties in relation to the recoverability of loans and other amounts due from such borrowers and counterparties, resulting in significant increases in the Group’s impaired loans and impairment provisions. Renewed uncertainty in the global and Eurozone economies, including as a result of the UK Referendum, could result in downgrades and deterioration in the credit quality of the Group’s customer, sovereign and banking exposures.

***The Group’s level of non-performing exposures (“NPEs”) on loans and advances to customers remains elevated***

The reduction of NPEs is a key area of focus for the Group. As at 30 June 2017, the Group had recognised impairment provisions of €3.2 billion and had NPEs on loans and advances to customers of €8.1 billion. The proportion of the Group’s loan portfolio which comprises NPEs is elevated and there can be no assurance that the Group will be able to continue the reduction in the level of its NPEs at the current rate. The Group’s ability to reduce the level of its NPEs is dependent on its ability to restructure and/or rehabilitate these loans. The

willingness and ability of delinquent or defaulting borrowers to agree to a voluntary restructuring of their loans is materially dependent on the continuing recovery of the Irish economy, particularly the Irish real estate market, and an effective and efficient regulatory insolvency and foreclosure process in Ireland (e.g. requirements of the CCMA, insolvency legislation, court processes and bankruptcy proceedings, none of which are factors within the Group's control).

While any sale of NPEs or portfolios of NPEs by the Group would reduce the level of its NPEs and release the provisions held against them, the sale could result in a loss being recorded, which could have a material adverse effect on the Group's income for the relevant financial period and the Group's capital position in the longer term.

The ECB and other regulatory authorities may introduce new and/or additional requirements in relation to how the Group deals with its NPEs in the future. For example, the ECB issued its final guidance in relation to NPEs in March 2017 which set out detailed best practices which are intended to constitute ECB banking supervision's supervisory expectation from now on in relation to how banks will deal with NPEs. Any change to the way in which the Group deals with its NPEs as a result of the Group's compliance with regulatory requirements could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

### ***Banking Law and Regulation***

*The Group is subject to regulatory regimes which may require that it hold or raise additional capital and/or eligible liabilities or result in increased costs*

From 4 November 2014, the Group came under the supervision of the ECB for prudential purposes and is supervised by the Central Bank on other areas, such as AML/CFT, MiFID, and Conduct of Business.

The Group must comply with the prudential requirements of the Capital Requirements Directive (“**CRD**” or “**CRD IV**”) and the CRD IV regulations (which comprise the Capital Requirements Regulation; the European Union (Capital Requirements) Regulations 2014 and the European Union (Capital Requirements No. 2) Regulations 2014, together the “**CRD IV Regulations**”), which implement the CRD in Ireland.

The CRD IV Regulations contain the European regulatory package designed to transpose the capital, liquidity and leverage standards of Basel III into the EU's legal framework. From 1 January 2014, the Group has been regulated under CRD IV, as implemented in Ireland. This has introduced significant changes in the prudential regulatory regime applicable to banks including: increased minimum levels of capital; enhanced quality standards for qualifying capital, increased risk weighting of assets, particularly in relation to market risk and counterparty credit risk; and the introduction of a leverage ratio and new liquidity metrics. CRD IV provides for some of these measures to be phased in over transitional periods up to 2024.

The CRD IV Regulations adopted in Ireland may change or be supplemented, whether as a result of further changes to CRD IV currently being proposed by EU legislators (as described below), revisions to capital requirements as a result of proposals by the Basel Committee on Banking Supervision, binding regulatory technical standards to be developed by the European Banking Authority (the “**EBA**”), targeted reviews of individual models, which are used to calculate capital requirements, previously granted under CRD II and/or CRD III and requirements applied to Irish banks or otherwise. Such changes, either individually and/or in aggregate, may lead to further requirements in relation to the Group's capital, leverage, liquidity and funding ratios or alter the way such ratios are calculated. In particular, on 23 November 2016, the European Commission proposed a reform of Regulation No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (the “**CRR**”) and CRD IV by way of a proposal (COM (2016) 850) to amend the CRR and by way of a proposal (COM (2016) 852) to amend CRD IV (together the “**CRD IV Amendment Proposal**”). The CRD IV Amendment Proposal introduces, among other things, a leverage ratio requirement of 3 per cent., a harmonised binding requirement for stable funding (the Net Stable Funding Ratio or NSFR), strengthening of the conditions for use of internal models and changes to the relevant regulator's application of the institution specific “Pillar 2” capital add-ons. As at the date of this Prospectus, it is still uncertain whether and, if so, to what extent, the CRD IV Amendment Proposal will impose additional capital and/or liquidity requirements on the Group, which in turn may affect the relevant Issuer's capacity to fulfil its obligations under the Notes.

Additional capital and liquidity requirements or guidance and other requirements, whether based on an interpretation of current rules or the application of new rules or guidance being proposed by EU legislators, could be imposed on the Group as a result of the Supervisory Review and Evaluation Process (“**SREP**”) or EBA

stress testing, including a revision of the level of Pillar II add-ons as the Pillar II add-on requirements or guidance are a point-in-time assessment and therefore subject to change over time.

Additional capital, and/or liquidity requirements could lead to increased costs for the Group, limitations on the Group's capacity to lend and further restructuring of the Group which could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group.

To support the effectiveness of bail-in and other resolution tools, Article 130(1) of the Bank Resolution and Recovery Directive, Directive 2014/59/EU (the "**BRRD**") requires that from 1 January 2016 Member States apply the BRRD's provisions requiring EU credit institutions and certain investment firms (collectively, BRRD Institutions) to maintain minimum requirements for own funds and eligible liabilities ("**MREL**"), subject to the provisions of the MREL regulatory technical standards ("**RTS**").

The MREL requirements will be determined on a case-by case basis taking into account (i) resolvability; (ii) capital adequacy; (iii) sufficiency of eligible liabilities; (iv) participation in a deposit guarantee scheme; (v) business risks (business model, funding, risk profile); and (vi) systemic risk (interconnectedness). The Group's MREL requirements will be set by the Single Resolution Board (the "**SRB**"), in consultation with the ECB/National Competent Authorities. The calculation of MREL should consider the need, in case of application of the bail-in tool, to ensure that the institution is capable of absorbing an adequate amount of losses and being recapitalised by an amount sufficient to restore its Common Equity Tier 1 ("**CET1**") ratio to a level sufficient to maintain the capital requirements for authorisation and sustain market confidence.

The SRB will develop its MREL policy during 2017 with a view to setting binding MREL targets for the most systemic banking groups in the Banking Union and will develop additional policies and methodologies in respect of MREL based on existing legislation and other relevant regulatory developments.

The MREL requirements imposed on the Group could be significant and could require the Group to raise additional funds in order to meet its obligations. In addition, the cost of such funding could be higher than that which the Group might otherwise have incurred in circumstances where it was not subject to the relevant MREL requirements. The MREL requirements could have an impact on the Group's operations, structure, costs and/or capital/funding requirements.

Requirements or interpretations from regulatory authorities that are more stringent for the Group or otherwise diverge from those applying to other Irish or Member State financial institutions may result in adverse investor reaction and increased costs for the Group.

A market perception or an actual shortage of capital issued by the Group could result in regulatory actions, including requiring the Group to issue additional CET1 securities or not distribute dividends or issuing a public censure or the imposition of sanctions. These factors may affect the Group's capacity to continue its business operations, generate a return on capital, pay future dividends or pursue acquisitions or other strategic opportunities, impacting future growth potential. If, in response to any such shortage, the Group raises additional capital through the issuance of share capital or capital instruments, existing shareholders may experience a dilution of their holdings.

*The Group's business and operations are subject to substantial regulation and supervision and can be negatively affected by its non-compliance with certain existing regulatory requirements and any adverse regulatory and governmental developments*

The Group conducts its businesses subject to ongoing regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations. Future changes in laws, regulation or other policies are unpredictable and beyond the control of the Group and could materially adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group's operations are contingent upon licences issued by financial authorities in the countries in which the Group operates, including Ireland and the UK. Violations of rules and regulations, whether intentional or unintentional, may lead to the withdrawal of some of the Group's licences, the imposition of constraints on its activities, or the imposition of financial or other penalties. The imposition of significant penalties or the revocation or variation of licences for members of the Group could have a material adverse effect on the Group's reputation, business, financial condition, results of operations and/or prospects.

Fundamental changes in the laws and regulations affecting financial institutions can have a material and adverse effect on the Group's business. Regulators and legislators have adopted a wide range of changes to these laws and regulations designed to address the perceived causes of the crisis and to limit the systemic risks posed by major financial institutions. The adoption of these new laws and regulations has had, and may in the

future continue to have, a material impact on the Group's business, results of operations, financial condition and/or prospects. They include, but are not limited to, the following:

- significantly higher regulatory capital requirements;
- changes in the definition and calculation of regulatory capital;
- changes in the calculation of risk-weighted assets (“**RWA**”);
- the introduction of a more demanding leverage ratio;
- new or significantly enhanced liquidity requirements;
- requirements to maintain liquidity and capital in jurisdictions in which activities are conducted and booked;
- limitations on principal trading and other activities;
- new licensing, registration and compliance regimes, including increased/more punitive sanctions for non-compliance;
- limitations on risk concentrations and maximum levels of risk;
- taxes and government levies that would effectively limit balance sheet growth or reduce the profitability of trading and other activities;
- cross-border market access restrictions;
- a variety of measures constraining, taxing or imposing additional requirements relating to compensation;
- adoption of new liquidation regimes intended to prioritise the preservation of systemically significant functions;
- requirements to adopt structural and other changes designed to reduce systemic risk and to make major financial institutions easier to manage, restructure, disassemble or liquidate, including ring-fencing certain activities and operations within separate legal entities; and
- requirements to adopt risk governance structures at a local jurisdiction level.

Following the assumption by the ECB of its supervisory responsibilities under the SSM, the ECB has been concerned with the implementation of a more demanding and restrictive regulatory framework with respect to, amongst other things, capital ratios, leverage, liquidity and disclosure requirements which, notwithstanding the benefit to the financial system, will imply additional costs for banks. Certain Group subsidiaries and operations are subject to the supervision of other local supervisory authorities. For example, the Group's business in the UK is subject to the supervision of the UK Prudential Regulation Authority (the “**PRA**”) and joint decisions of the ECB and PRA are issued with respect to the UK's capital requirements.

Further proposals are now being considered by EU and other international regulators to complete the reform agenda. Implementation of these proposals will take several years.

Increased regulatory intervention may lead to requests from regulators to carry out wide-ranging reviews. The Group is unable to predict what regulatory changes may be imposed in the future as a result of regulatory initiatives in the EU and elsewhere or by the ECB, the PRA and other supervisory authorities. If the Group is required to make additional provisions or to increase its reserves as a result of potential regulatory changes, this could adversely affect the financial condition and results of operations of the Group. The approach adopted by the regulators of the markets in which the Group operates, could have a material adverse impact on the Group's business, results of operations, financial condition and/or prospects.

It is not yet known what impact the UK's withdrawal from the EU will have on the approach of the UK regulatory authorities to the regulation of financial institutions in the future. See the risk factor entitled “*The Group could be materially adversely affected by the UK's withdrawal from the EU*” for further details.

#### *BRRD and SRM*

The BRRD, which establishes a framework for the recovery and resolution of credit institutions and investment firms, has been implemented in Ireland by the European Union (Bank Recovery and Resolution) Regulations 2015 (as amended) and in the UK through amendments to the special resolution regime (“**SRR**”) established under the Banking Act 2009.

Under the BRRD, competent authorities and resolution authorities are given power to, among other things:

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

EU regulatory authorities, including the Joint Supervisory Team, have required the production of recovery plans on an annual basis.

As part of the initiative for a European banking union, the EU has established the single resolution mechanism (the “SRM”) under Regulation No. 806/2014 (the “SRM Regulation”) which entered into force on 19 August 2014. Under the SRM, a single resolution process applies to all banks established in Member States participating in the SSM, such as the Group, and the process is co-ordinated by a new centralised European resolution authority, the SRB which is an independent agency established under the SRM Regulation. The SRM Regulation is designed to ensure the uniform application of the BRRD resolution rules to failing banks subject to the SSM and prevent systemic contagion. It is based on close cooperation between the national resolution authorities of participating Member States and the SRB.

The SRB has the authority to exercise specific resolution powers pursuant to the SRM Regulation similar to those of the competent authorities under the BRRD, including in relation to resolution planning and the assessment of resolvability. The exercise of the resolution tools created by the SRB and the BRRD could result in changes to the structure of a group to allow for a multiple-point-of-entry or a singlepoint-of-entry resolution.

Credit institutions to which the BRRD applies that are subsidiaries of other credit institutions to which the BRRD applies, such as Bank of Ireland (UK) plc, may be subject to independent resolution action by their national resolution authorities in addition to action taken by the resolution authority supervising the parent entity. Any such measures, if used in respect of BOIG, BOI and/or any other member of the Group or any securities of any of the foregoing could have a material adverse effect on BOIG, BOI and/or any other member of the Group, including its shareholders and unsecured creditors (such as holders of Notes), and any market perception or expectation that any such measures may be used may also severely adversely affect the market price of any Notes.

The Group, in the second half of 2017, established a holding company as required by the SRB's preferred resolution strategy for the Group. There is no guarantee that the SRB will not change the resolution strategy for the Group over time. The exercise of the resolution tools created by the BRRD and exercised by the SRB could result in further changes to the structure of the Group. Additionally, the changes to be implemented in respect of the SRM Regulation and the BRRD may have an effect on the Group's business, financial condition, results of operations and/or prospects. Depending on the specific nature of the requirements and how they are enforced, such changes could have a significant impact on the Group's operations, structure, costs and/or capital requirements.

***The introduction of BOIG is expected to adversely impact the consolidated Group's reported total capital, Tier 1 capital and leverage ratios***

While the Group does not expect the introduction of BOIG as the group holding company to impact on the Group's reported CET1 ratios, it is expected to adversely impact the consolidated Group's reported total capital, Tier 1 capital and leverage ratios. The extent of the impact will be affected by absolute capital levels and capital structure from time to time, and any mitigating actions the Group may take. The expected reductions arise as a consequence of the regulatory application of Articles 85 and 87 of the Capital Requirements Regulation, whereby relevant existing regulatory capital instruments issued by BOI and its subsidiaries will not be recognised in full in the prudential consolidation following the establishment of BOIG. The Group continues to



expect that, notwithstanding such reductions, the Group's capital ratios will continue to exceed its capital adequacy requirements.

Whilst a certain amount of these capital instruments will not count towards the calculation of the Group's regulatory capital ratios going forward, the instruments remain available to absorb losses and are expected to count as MREL. The impact on regulatory capital ratios will reduce as existing regulatory capital instruments issued by BOI and its subsidiaries are redeemed, with future issuance of regulatory capital instruments by the Group expected to be by BOIG. If the principal existing instruments were called at their first call dates, subject to regulatory approval, the impact of any remaining reductions is expected to be substantially eliminated by the end of June 2020. The Group is not currently subject to any regulatory requirements in respect of the leverage ratio.

### ***Personal Insolvency Legislation***

The Personal Insolvency Act 2012 created a regime for voluntary negotiated debt resolution options as alternatives to bankruptcy and reduced the timescale for discharge from bankruptcy from twelve years to three years. The bankruptcy term was further reduced from three years to one year under the Bankruptcy (Amendment) Act 2015. The Personal Insolvency (Amendment) Act 2015 gave new powers to the Courts, in certain circumstances, to review and, where appropriate, approve insolvency proposals that have been rejected by a mortgage lender in relation to a principal private residence. There is a risk that borrowers' behaviours may change regarding payment obligations which could have an adverse impact on the Group's results, financial condition or reputation.

### ***The Group is exposed to market risks such as changes in interest rates, interest rate spreads (or bases) and foreign exchange rates***

Market risk is the risk of loss arising from movements in interest rates, foreign exchange rates or other market prices. Market risk arises naturally through customer lending and deposit-taking, the servicing of customer foreign exchange and other customer risk management needs, wholesale funding and investment in securities for liquid asset purposes. It is Group policy to minimise exposure to market risk, subject to a relatively conservative permission to take discretionary risk. Nonetheless, certain structural market risks remain and, in some cases, are difficult to eliminate fully. These structural risks arise inter alia from the presence of non-interest related assets and liabilities on the balance sheet, the multiplicity of pricing conventions for variable rate assets, liabilities and derivatives, the multi-currency mix of assets and liabilities and the requirement in the Group's case to fund sterling assets out of euro. While the Group employs a range of hedging and risk mitigation methods, the Group remains potentially exposed to adverse movements in interest rates, interest rate bases (the differential between variable interest rates), cross currency bases (primarily the cost of borrowing in euro to fund assets in sterling) and exchange rates.

The persistence of exceptionally low interest rates for an extended period into the future or a material reduction in interest rates could adversely affect the Group's financial condition and prospects through, among other things, the systemic mis-pricing of risk by financial markets, the compression of net interest margin, the low absolute level of yields at which certain liabilities are invested, together with the rate at which pension liabilities are discounted. In particular, such conditions may have a material adverse impact on the Group's CET1 ratios.

### ***The Group's operations have inherent reputational risk***

The Group's ability to attract and retain customers and conduct business with its counterparties could be adversely affected in the event that its reputation is damaged. Damage to its reputation can have negative effects on the Group's business, financial condition, results of operations and/or prospects. Reputational damage is difficult to reverse, and improvements tend to be slow and difficult to measure.

Failure to address, or appearing to fail to address, various issues that could give rise to reputational risk could cause harm to the Group's business, financial condition, results of operations and/or prospects. Reputational issues may arise, for example, as a result of:

- breaching or facing allegations of having breached legal regulatory requirements;
- failing to or facing allegations of having failed to maintain appropriate standards of customer privacy,
- data protection, customer service or conduct;
- technology failures that impact upon payment processing, customer services and customer accounts;

- regulatory action and/or litigation; or
- other specific events such as media speculation and/or political comment.

A failure to address any such issues appropriately could make customers, depositors, counterparties and investors unwilling to do business with the Group, which could adversely affect the Group's business, results of operations, financial condition and/or prospects and could damage the Group's stakeholder relationships.

***Changes in taxation rates, legislation or practice may lead to adverse consequences for the Group***

The Group is subject to various tax rates in various jurisdictions computed in accordance with local legislation and practice. There is a risk that such tax rates, legislation and practice may change, which could adversely affect the business, financial condition, results of operations and/or prospects of the Group.

There is also a risk associated with possible misinterpretation of tax laws. This could result in an increase in tax charges or the creation of additional tax liabilities. Failure to manage the risks associated with changes in the taxation rates or law, or misinterpretation of the law, could materially adversely affect the Group's business, financial condition and results of operations. The Group is also exposed to the risk that tax authorities may take a different view to the Group on the treatment of certain items.

In accordance with applicable accounting rules, the Group has recognised deferred tax assets on losses available to relieve future profits to the extent that it is probable that such losses will be utilised. The assets are quantified on the basis of current tax legislation and are subject to change in respect of the tax rate or the rules for computing taxable profits and allowable losses. A failure to generate sufficient future taxable profits or changes in tax legislation may reduce significantly the recoverable amount of the deferred tax assets currently recognised in the financial statements.

The Finance Act (No 2) 2013 which was enacted on 18 December 2013, introduced a bank levy on certain financial institutions, including the Group. An income statement charge is recognised annually on the date on which all of the criteria set out in the legislation are met. The annual levy paid by the Group on 20 October 2016 was €38 million.

The Finance Act 2016, enacted in December 2016, confirmed the revised basis on which the levy will be calculated for the years 2017 to 2021. The revised levy will equal 59 per cent. of each financial institution's Deposit Interest Retention Tax ("DIRT") payment for a particular year with the levy for 2017 and 2018 to be based on the DIRT payment for 2015, the revised levy for 2019 and 2020 to be based on the 2017 DIRT payment and the revised levy for 2021 to be based on the 2019 DIRT payment.

In the UK, a bank levy was introduced with effect from 1 January 2011 for all UK banks, building societies and foreign banks operating in the UK through a subsidiary, including Bank of Ireland's subsidiaries. The levy is charged at different rates on the short-term chargeable liabilities and long-term chargeable equity and liabilities as reported in the relevant balance sheet at the end of the chargeable period. The levy is payable with corporation tax in quarterly instalment payments. Any increase or amendment to the method of calculation of this levy, if implemented, would adversely impact the business, results of operations, financial condition and/or prospects of the Group.

***Pension risk is the risk in the Group's defined benefit pension schemes that the assets are inadequate or fail to generate returns that are sufficient to meet the schemes' liabilities***

The Group sponsors a number of defined benefit pension schemes for past and current employees. Pension risk crystallises for the sponsor when a deficit emerges of a size which implies a material probability that the liabilities will not be met. Defined benefit pension funds are subject to market fluctuations, and interest rate and inflation risks, thus a level of volatility is associated with defined benefit pension funding. These market fluctuations can impact the value of the schemes' asset portfolios and returns and / or result in a greater than expected increase in the value of the schemes' liabilities. The level of volatility associated with pension funding can have a negative impact on the financial condition and prospects of the Group.

***Weaknesses or failures in the Group's processes and procedures, external events or other operational risks are a risk to the Group's business***

The Group's businesses are dependent on their ability to process and report, accurately and efficiently, a high volume of complex transactions across numerous and diverse products and services, and subject to a number of different legal and regulatory regimes. Operational risks are inherently present in the Group's businesses including, as a result of potentially inadequate or failed internal processes (including financial reporting and risk monitoring processes), IT or equipment failures or the failure of external systems and controls

outside of the Group's control or from people-related or external events. This exposes the Group to customer redress, administrative actions or sanctions, potential loss of customers and the potential requirement to hold additional regulatory capital.

Examples of the types of risks that the Group faces in this regard include, but are not limited to:

- the risk of internal fraud (including financial fraud and/or theft) carried out by employees or officers of the Group, possibly resulting from lack of adequate segregation of responsibilities, or inappropriate internal access levels to systems being accorded to individuals, providing them with knowledge that facilitates fraud;
- the risk of external fraud, being customer or third-party fraud against the Group such as card skimming or cloning;
- the risk of a cyber-attack against the Group and its IT and account management systems and the reputational damage the Group would suffer as a result of any such attack. This would include denial of service attacks;
- the risk of partial or complete failure of some or all of the Group's IT systems, including any potential weaknesses in, or failure of, the Group's 'business continuity' strategy and systems;
- the risk of poor external service delivery, inadequate internal management, or inadequate business continuity plans (for example in a disaster) of third-party service providers;
- the risk that business units develop key financial and/or credit models without adequate oversight and testing prior to use by the business, therefore leading to inappropriate decision making and reporting;
- the risk of a failure to keep appropriate, accurate and regulatory compliant documentation, records and archives; and
- the risk of mis-selling financial products and/or the mishandling of complaints.

The Group's risk controls and frameworks (that are subject to ongoing review and enhancement) or loss mitigation actions implemented may not be effective in controlling each of the operational risks faced by the Group. Weakness in these controls or actions could result in regulatory penalties and could also have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects, as well as reputational damage which could exacerbate such adverse impact.

***The Group relies on recruiting, retaining and developing appropriate senior management and skilled personnel and the restrictions imposed on remuneration by government, tax or regulatory authorities or other factors outside the Group's control may adversely impact the Group's ability to attract and retain such personnel***

The Group's success depends in part on the availability of high calibre people and the continued services of members of its management team, both at its head office and at each of its business units. If the Group fails to attract and appropriately train, motivate and retain high calibre people, its businesses may be negatively impacted. Restrictions imposed on remuneration by the government, tax or regulatory authorities (e.g. the EBA Remuneration Guidelines) or other factors outside the Group's control in relation to the retention and recruitment of employees may adversely impact on the Group's ability to attract and retain such staff. The restrictions imposed on the Group by the Irish Government during the financial crisis, including the restriction on the Group paying any aggregate remuneration to any director or employee that exceeds €500,000 per annum (or, if lower, the amount recommended by the Covered Institution Remuneration Oversight Committee Report) without prior agreement between Bank of Ireland and the NTMA, place the Group at an increasing competitive disadvantage in seeking to retain and attract staff, particularly those with certain skill sets and in international locations.

A potential outcome of the UK's withdrawal from the EU could be a material inflow of foreign institutions into Ireland which may impose stress on the Group's ability to retain key members of its management team and skilled personnel.

In addition, the Central Bank Reform Act 2010 applies to the Group and contains a number of provisions which impact on the regulation of the Group including:

- the requirement for the ECB to approve, prior to their appointment, key office holders in regulated financial service providers under a fitness and probity regime implemented by the Central Bank; and

- the power of the Central Bank, or, as applicable, the ECB, to suspend or remove a director, chief executive or other persons performing certain functions prescribed in secondary legislation from his or her position in a financial services provider.

The Group's ability to attract and/or retain appropriately skilled personnel could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

***A deterioration in employee relations could adversely affect the Group***

A significant number of the Group's employees are members of trade unions. The Group currently consults and negotiates with its employees and their representatives regarding pay, pensions, work practices, organisational change, and terms and conditions of employment. The Group recognises that challenges may arise in relation to pay, pensions and terms and conditions of employment which may need to be resolved through established industrial relations fora. In the event that the Group becomes subject to industrial action or other labour conflicts, including strikes or other forms of industrial actions, this may result in a disruption to the Group's business and may adversely affect the business, results of operations, financial condition and/or prospects of the Group.

***Capital adequacy and its effective management, which is critical to the Group's ability to operate its businesses and to pursue its strategy***

The Group's business and financial condition would be affected if the Group was insufficiently capitalised. This could be caused by a materially worse than expected financial performance (including, for example, reductions in earnings as a result of impairment charges, or an unexpected change in interest rates, or unexpected increases in risk weighted assets).

The minimum regulatory requirements imposed on the Group, the manner in which the existing regulatory capital and its capital requirements are calculated, the instruments that qualify as regulatory capital and the capital tier to which those instruments are allocated, are the subject of extensive analysis and debate in the media and by regulatory authorities and could be subject to change in the future. A number of regulatory initiatives have recently been proposed or enacted which have the potential to impact the Group's capital requirements. These initiatives include Capital Requirements Directives (CRD II, III and IV), CRR, BRRD and Solvency II and the transfer of supervisory powers to the SSM in November 2014, and, together with further regulatory reforms and clarifications under consideration, have the potential to impact the Group's capital requirements.

In February 2016, the EBA launched an EU-wide stress test assessing the ability of EU banks to meet relevant supervisory capital ratios during an adverse economic shock. The Group participated in the stress test and the results were published in Q3 2016.

***The Group is exposed to litigation and regulatory investigation risk***

The Group operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory investigation and other risk. The Group is and may become involved in various disputes and legal proceedings, including litigation and regulatory investigations.

The Group is participating fully in the tracker mortgage examination initiated in Ireland in October 2015 by the Central Bank (the "**Tracker Review**"). The Group has undertaken the review required under the Tracker Review and provided the requisite report to the Central Bank on 30 September 2016, and with some further interaction thereafter with the Central Bank. The final response of the Central Bank is as yet unknown. As the documentation and lending practices of a number of other lenders are also within the scope of the Tracker Review, 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 Review, the assessment undertaken and information provided, the determination of impacted customers and the redress and compensation proposed. While there has been some interaction between the Group and the Central Bank in relation to the Tracker Review, the timing and nature of the ultimate conclusion and its potential implications for the Group's business is as yet unknown.

Disputes, legal proceedings and regulatory investigations are subject to many uncertainties, and their outcomes are often difficult to predict. Any such disputes, proceedings and/or investigations can have adverse effects on the Group, including negative publicity, loss of revenue, litigation, higher scrutiny and/or intervention from regulators, regulatory or legislative action, and loss of existing or potential client business which in turn could have an adverse effect on the Group's business, results of operations, financial condition and/or prospects.

***Changes in financial reporting standards or policies (e.g. IFRS 9) could materially adversely affect the Group's reported results of operations and financial condition and may have a material adverse effect on capital ratios***

The Group prepares its financial statements in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU and with those parts of the Companies Act applicable to companies reporting under IFRS and with the European Union (Credit Institution: Financial Statements) Regulation, 2015 and, accordingly, from time to time the Group is required to adopt new or revised accounting standards as adopted by the EU. IFRS 9 ‘Financial instruments’ will replace IAS 39 ‘Financial instrument recognition and measurement’ for annual periods beginning on or after 1 January 2018 as endorsed by the EU on 22 November 2016. The implementation of IFRS 9 is a major priority for the Group and a Group IFRS Programme, responsible for its implementation, has been in place since 2015.

IFRS 9 introduces a principle-based approach to the classification and measurement of financial assets, with the classification dependent on both the overall objective of the business model within which the asset is held and the contractual cash flow characteristics of the asset. Based on progress to date in the assessment of business models and the contractual cash flow characteristics of assets, the Group expects that the classification requirements of IFRS 9 will result in no change in measurement basis for the vast majority of the Group’s financial assets and will not result in a material quantitative impact on the Group’s total financial assets and liabilities.

The impairment requirements of IFRS 9 are broader than of IAS 39 and IFRS 9 introduces a more forward looking ‘expected credit losses’ (“ECL”) approach to impairment provisioning, even if a loss event has not occurred. For ECL recognition, in-scope financial instruments are effectively grouped into three ‘stages’ based on the extent of any deterioration in credit quality since initial recognition. Transition to the impairment requirements of IFRS 9 may result in a material increase in impairment provisions at transition, but a reasonable estimate currently cannot be made primarily as the Group’s criteria for allocating financial instruments to stages have yet to be finalised; the incorporation of multiple future macroeconomic scenarios into the Group’s ECL model suite is not yet complete; and the composition of the Group’s portfolios and the macro-economic conditions and outlook that will prevail at transition are not known. The Group expects to provide quantitative information on the impact of transition to IFRS 9 in its 2017 annual report.

There is uncertainty regarding the regulatory and tax treatment of the initial impact of transition to IFRS 9. Relief for the initial impact on regulatory capital due to the impairment requirements of IFRS 9 is under consideration at EU level based on a 5-year transitional period commencing on the effective date of IFRS 9, with a significant level of add-back in the initial year and reducing incrementally thereafter. For the purposes of UK Corporation Tax, transitional adjustments arising from the adoption of IFRS 9 in respect of credit losses are to be spread over a 10 year period. Irish Corporation Tax rules relating to the transition to IFRS 9 have not yet been established.

The International Accounting Standards Board has also published IFRS 15 ‘Revenue from contracts with customers’, and IFRS 16 ‘Leases’. IFRS 15, which will become effective for annual periods beginning on or after 1 January 2018, specifies how and when an entity will recognise revenue, and provides a single, principles based five-step model to be applied to contracts with customers. Financial instruments, leases and insurance contracts are outside the scope of IFRS 15.

IFRS 16, which is expected to become effective for annual periods beginning on or after 1 January 2019, subject to endorsement by the EU, specifies how an entity will recognise, measure, present and disclose leases. The standard sets out a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases except those which are short-term or where the underlying asset has a low value. Lessors will continue to classify leases as operating or finance leases, an approach substantially unchanged from the existing leases standard, IAS 17.

The implementation of IFRS 9, IFRS 15, IFRS 16 and/or any other new or amended accounting standards, policies or practices could have an adverse effect on the Group’s business, results of operations, financial condition and/or prospects and may have a corresponding adverse effect on its capital ratios.

***The Group's strategic plans may not be realised***

The Group has identified and set strategic plans for the Group, including, inter alia:

- focussing on the Republic of Ireland as the Group’s core market; and

- retaining selective international diversification in the UK through access to an extensive distribution network, primarily through the UK Post Office and AA partnerships, and other strategic intermediaries and internationally through acquisition finance.

These plans include targets which rely on the proper implementation of those strategies and which may be sensitive to a number of internal and external dependencies.

Furthermore, these strategic plans may be adversely affected by macroeconomic factors (in Ireland, the UK or globally) and other factors that are outside of the Group's control. See the Risk Factor entitled, "*The Group's business and financial performance has been and will continue to be affected by economic conditions globally, in Europe and, in particular, in Ireland and in the UK*" for further details. The Group's implementation of these strategies may be affected by the competition in the markets in which the Group operates.

There is a further risk that the Group may not be in a position to renew third-party distribution agreements such as the agreement between, amongst others, Bank of Ireland, Bank of Ireland (UK) plc and the UK Post Office (in respect of Post Office branded retail financial service products and ATM services), the agreement between Bank of Ireland (UK) plc, AA plc and AA Financial Services Limited in the UK (in respect of AA branded financial services products) and other third-parties on terms acceptable to the Group or on terms as currently favourable to the Group. Any termination or non-renewal of the Group's relationships with the Post Office, the AA and/or any of its other strategic intermediaries in the UK could have an adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The Group's strategic plans also rely, in part, on the proper implementation of those strategies by the Group. There is a risk that the Group's IT Programme and Integrated Plan may not deliver the required objectives in whole or part (see the Risk Factor entitled "*A failure to effectively improve or upgrade the Group's information technology infrastructure and management information systems in a timely manner could have a material adverse effect on its business, results of operations, financial condition and/or prospects*" for further information). There is also a risk that the Group may not be able to continue to deliver new products or existing products at acceptable margins, that future regulation may change the nature of product charging and/or sales in a way that impacts the Group's ability to deliver the planned income, that its chosen business model proves to be inappropriate, or that customers are not attracted by the products and services on offer.

***The Group's life assurance business is subject to inherent insurance risks, as well as market conditions generally***

Life insurance risk is the potential volatility in the amount and timing of insurance claims caused by unexpected changes in mortality, longevity and morbidity. Mortality risk is the risk of deviations in timing and amounts of cash flows due to the incidence of death claims. Longevity risk is the risk of such deviations due to increasing life expectancy trends among policy holders and pensioners, resulting in pay-out ratios higher than originally expected. Morbidity risk is the risk of deviations in timing and amount of claims by policy holders due to the incidence of disability and sickness. A material change in relation to any of these risks could materially and adversely affect the business, financial condition, results of operations and/or prospects of the Group's life assurance business.

The Group's life assurance business is also subject to persistency risk which is the risk that policyholders may not continue with their policy, or may do so at a reduced level of premium, in which case the Group's life assurance business will receive a lower future income stream from the provision of insurance services than envisaged at the inception of the contract.

Insurance claims are subject to unpredictable events and the actual number and amount of claims and benefits will vary from year to year from the estimate established using actuarial and statistical techniques.

Life insurance risk is mitigated through a number of measures, including reinsurance, underwriting, contract design and diversification. Reinsurance arrangements create a credit risk to the extent that any reinsurer is unable to meet its contractual obligations.

The Group's life assurance business is subject to risks relating to the volatility in the value of the underlying assets held to meet its liabilities. The risks associated with the Group's life assurance business could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group.

## ***Technology***

Rapidly shifting consumer behaviours and the proliferation of internet, social and device (mobile, tablet, wearable) technologies are changing the way customers research, purchase and maintain the products and services they consume in their day to day lives, and this is reflected in the evolving banking models for consumers and businesses, both in Ireland and internationally. This not only affects the manner in which customers manage their financial affairs and core products (from operating accounts to deposits to credit facilities and wealth management instruments), but money transmission is also expected to evolve in the coming years with numerous new players entering the payments environment, facilitated by regulatory and market forces such as Directive (EU) 2015/2366 on Payment Services in the Internal Market (PSD2) and Immediate Payments thus changing the payment services available. Analytically driven and customer focussed new entrants are changing the way financial services companies are approaching their routes to market, service and fulfilment value chains, operating models and core competencies so that they remain relevant and compete in the newly consumerised and digital arena.

An inability of the Group to respond to external developments in a timely manner or any rigidity in the Group's operating model preventing an appropriate response could lead to a deterioration in the Group's results, financial conditions and prospects.

## ***Other***

The Irish Government, through the Ireland Strategic Investment Fund (the "ISIF"), holds a circa 14 per cent. discretionary shareholding in BOIG, and through the Relationship Framework dated 30 March 2012, could exert a significant level of influence over the Group. The ISIF could exercise its voting rights in respect of its holding of ordinary shares in BOIG in a manner which is not aligned with the interests of the Group or its other stockholders. The Group has also given certain undertakings to the Minister for Finance (the "Undertakings") in respect of its lending, corporate governance and remuneration. Actions on foot of the ISIF investment and the Undertakings could require the Group to implement operational policies that could adversely affect the Group's results, financial condition and prospects.

## **FACTORS WHICH MAY BE RELEVANT DEPENDING ON WHETHER BOI OR BOIG IS THE RELEVANT ISSUER OF NOTES**

***Notes issued by BOIG will be obligations exclusively of BOIG and BOIG's ability to make payments to the holders of the Notes depends largely upon the receipt of dividends, distributions, interest or advances from its wholly or partially owned subsidiaries***

Notes issued by BOIG will be obligations exclusively of BOIG. BOIG is a non-operating holding company and conducts substantially all of its operations through its direct subsidiary, BOI, and other members of the BOI Group. BOIG's subsidiaries are separate and distinct legal entities, and have no obligation to pay any amounts due to holders of Notes from BOIG or to provide BOIG with funds to meet any of its payment obligations. BOIG's ability to make payments to the holders of the Notes depends largely upon the receipt of dividends, distributions, loans or advances from its subsidiaries. The ability of those subsidiaries to pay dividends, distributions, loans or advances may be subject to applicable laws.

***Notes issued by BOIG will be structurally subordinated to Notes issued by BOI***

BOIG owns 100 per cent. of the ordinary stock in BOI. All of BOIG's trading activities are operated through BOI and BOI's subsidiaries. Accordingly, BOIG relies largely upon the receipt of dividends and other distributions from BOI. If BOI were to be wound up, the assets of BOI would be applied first in meeting the costs of the winding up and its liabilities to all creditors (including all subordinated creditors) of BOI (including holders of Ordinary Notes and Dated Subordinated Notes issued by BOI), and only if there were any surplus assets remaining once all such costs and creditors have been paid in full would BOIG be entitled to receive such surplus assets in its capacity as shareholder. In the event of an insolvent winding up of BOI, there would be no surplus assets available to BOIG.

Accordingly, the claims of investors in BOIG (including holders of Notes issued by BOIG) are effectively subordinated to the claims of investors in BOI (including holders of Ordinary Notes and Dated Subordinated Notes issued by BOI). This may also impact the relative market price, liquidity and/or volatility of Notes issued by BOIG and those issued by BOI.

***The credit ratings assigned by certain rating agencies to BOIG and/or any Notes issued by BOIG are or are expected to be (as the case may be), lower than the credit ratings assigned to BOI and/or any Notes issued by BOI***

The credit ratings assigned by certain rating agencies to BOIG and/or any Notes issued by BOIG are or are expected to be (as the case may be) lower than the credit ratings assigned to BOI and/or any Notes issued by BOI. A lower credit rating generally reflects the view of the assigning rating agency that an investment in the relevant entity or the relevant securities carries greater risk. An investment carrying greater risk may bear interest at a higher rate than investments which are, or are perceived to be, less risky, but there may be an increased risk that such investment will not perform or be repaid. There may also be increased volatility or reduced liquidity in any secondary market for higher-risk investments, and the market price of investments may reflect the actual or perceived difference in risk. See further “Downgrades to the Irish sovereign, BOI’s credit ratings or BOIG’s credit ratings or their outlook could impair the Group’s access to private sector funding, trigger additional collateral requirements and weaken its financial position. As at the date of this Prospectus, certain of the credit ratings of BOIG are also lower than those of BOP” above.

***Ordinary Notes issued by BOIG may be more susceptible to bail-in, write-down or conversion to equity under BRRD than Ordinary Notes issued by BOI***

As further described under “The Council of the European Union has adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions, investment firms, certain financial institutions and certain holding companies (each a “relevant entity”) considered to be at risk of failing” below, resolution authorities have very broad powers to rescue or resolve failing or likely to fail banks and related institutions, such as BOIG and BOI. These powers include, amongst other things, the power to write down (including to nil), or convert to equity, the claims of creditors in respect of certain debts owed by the relevant entity.

These powers give the resolution authorities the power to write down or convert to equity claims in respect of Ordinary Notes and Dated Subordinated Notes issued by BOIG and BOI.

As further described under “The Group is subject to regulatory regimes which may require that it hold or raise additional capital and/or eligible liabilities or result in increased costs” above, the BRRD has introduced a regime whereby relevant financial institutions are required to maintain minimum requirements for own funds and eligible liabilities (“MREL”). The primary purpose of MREL is to be available to the resolution authorities, when implementing their powers under BRRD, to write-down or convert to equity in order to absorb losses or recapitalise institutions before any losses are borne by depositors or other unsubordinated creditors of an operating bank.

Given that, as described above under “Notes issued by BOIG will be structurally subordinated to Notes issued by BOP”, Ordinary Notes issued by BOIG will be structurally subordinated to all liabilities of BOI (which is an operating bank), Ordinary Notes issued by BOIG may be capable of qualifying as MREL. In contrast, Ordinary Notes issued by BOI may rank *pari passu* with certain other unsubordinated obligations of BOI, and as such are less likely to qualify as MREL. Accordingly, Ordinary Notes issued by BOIG may be more susceptible to being bailed-in, written down, or converted to equity than Ordinary Notes issued by BOI. Furthermore, whilst Ordinary Notes issued by BOIG are expected to be written down or converted to equity only after (or simultaneously with) Dated Subordinated Notes issued by BOIG, it is possible that Ordinary Notes issued by BOIG may be written down or converted to equity whether or not any Ordinary Notes or Dated Subordinated Notes issued by BOI are also written down or converted to equity. This may also impact the relative market price of Notes issued by BOIG and those issued by BOI.

The corporate reorganisation of the Group completed in 2017 to introduce BOIG as the listed holding company of the Group reflected the implementation of the SRB’s preferred resolution strategy for the Group, which specifically envisages that unsubordinated debt of BOIG (such as Ordinary Notes) should be available for bail-in, write-down or conversion to equity.

Nevertheless, the manner in which the powers afforded to resolution authorities under BRRD will be employed in respect of any given financial institution or group will depend upon the circumstances at the time, and any Notes issued under this Programme – including Ordinary Notes and Dated Subordinated Notes issued by BOIG or by BOI – may be written down, or converted to equity under these powers.

**RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such



features, distinguishing between factors which may occur in relation to any Notes and those which might occur in relation to certain types of Exempt Notes:

***Risks applicable to all Notes***

*If the relevant Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*

There are a number of circumstances in which the relevant Issuer may be entitled to elect to redeem Notes, which may (depending on the Notes in question) including optional redemption on one or more dates specified in the Final Terms, redemption following a Tax Event, redemption following a Capital Event and/or redemption following a Loss Absorption Disqualification Event.

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem or is perceived to be likely to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may elect to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*If the Notes are converted from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned*

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest rate may affect the secondary market in, and the market value of, such Notes since the relevant Issuer would be expected to specify a date on which to convert the rate when it is likely to result in a lower overall cost of borrowing for the relevant Issuer. If the Notes are converted from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Notes are converted from a floating rate to a fixed rate, the fixed rate in such circumstances may be lower than then prevailing market rates.

*Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates*

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

***The relevant Issuer's obligations under Dated Subordinated Notes***

The relevant Issuer's obligations under Dated Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to more senior-ranking creditors of the relevant Issuer.

If the relevant Issuer is declared insolvent and a winding-up is initiated the relevant Issuer will, before it can make any payments on its Dated Subordinated Notes, be required to pay in full the claims in respect of its senior-ranking debt and meet its obligations in respect of deposits, unsubordinated claims and (if any) those subordinated claims which rank in priority to the claims in respect of Dated Subordinated Notes. Accordingly, on a winding-up of the relevant Issuer, if the assets of the relevant Issuer are insufficient to enable it to repay the claims of more senior-ranking creditors in full, the holders of such Issuer's Dated Subordinated Notes will lose their entire investment in such Dated Subordinated Notes. If there are sufficient assets to enable the relevant Issuer to pay the claims of senior-ranking creditors in full but insufficient assets to enable it to pay claims in respect of its obligations in respect of Dated Subordinated Notes and all other claims that rank *pari passu* with its Dated Subordinated Notes, holders of Dated Subordinated Notes will lose some (which may be substantially all) of their investment in such Dated Subordinated Notes.

*The Council of the European Union has adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions, investment firms, certain financial institutions and certain holding companies (each a “relevant entity”) considered to be at risk of failing*

The BRRD introduced a new framework in the EU for the recovery and resolution of banks and other financial institutions and was transposed in Ireland by the European Union (Bank Recovery and Resolution) Regulations 2015. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing relevant entity so as to ensure the continuity of the relevant entity’s critical financial and economic functions, while minimising the impact of a relevant entity’s failure on the economy and financial system.

The BRRD contains various resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the public interest. The BRRD contains, *inter alia*, the following resolution tools and powers:

- (i) *sale of business* - which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms;
- (ii) *bridge institution* - which enables resolution authorities to transfer all or part of the business of the relevant entity to a “bridge institution” (an entity created for this purpose that is wholly or partially in public control);
- (iii) *asset separation* - which enables resolution authorities to transfer assets (such as impaired or problem assets) to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and
- (iv) *bail-in* - which gives resolution authorities the power to write-down certain claims of unsecured creditors of a failing relevant entity and to convert certain unsecured debt claims (including Notes) to equity (the “**general bail-in tool**”), which equity could also be subject to any future write-down.

The BRRD also provides for a Member State as a last resort, after having assessed and applied the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

A relevant entity will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts or other liabilities as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further power to permanently write-down, or convert into equity, capital instruments (such as Dated Subordinated Notes) at the point of non-viability and before any resolution action is taken (“**non-viability loss absorption**”). Any shares issued to holders of Dated Subordinated Notes upon any such conversion into equity may also be subject to any application of the general bail-in tool or further non-viability loss absorption actions. Resolution authorities are required to implement non-viability loss absorption ahead of, or simultaneously with, any resolution action.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which (i) the relevant authority determines that the relevant entity meets the conditions for resolution (but no resolution action has yet been taken) or (ii) the relevant authority or authorities, as the case may be, determine(s) that the relevant entity or its group will no longer be viable unless the relevant capital instruments (such as Dated Subordinated Notes) are written-down or converted or (iii) extraordinary public financial support is required by the relevant entity other than, where the entity is an institution, for the purposes of remedying a serious disturbance in the economy of a European Economic Area member state and to preserve financial stability.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. Holders of Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool and, in the case of Dated Subordinated Notes, non-viability loss absorption, which may result in such holders losing some or all of their investment.

The exercise of any power under the BRRD or any suggestion, or any market perception or expectation, of such exercise could, therefore, materially adversely affect the rights of Noteholders, the price or value of their investment in any Notes and/or the ability of the relevant Issuer to satisfy its obligations under any Notes.

Whilst BRRD provides for compensation to be paid to certain creditors (which may in certain cases be given in the form of equity shares) who receive less in a resolution of a relevant entity than they would have received had that entity been allowed to enter into normal insolvency proceedings (known as the ‘*no creditor worse off*’ protection), there can be no guarantee that any Noteholder or Couponholder will be eligible to receive compensation for any losses in respect of their Notes, or any such compensation received will cover their losses on their Notes in full.

As described further in “*Banking Law and Regulation*” above, the SRM Regulation is designed to ensure the uniform application of the BRRD resolution rules to failing banks subject to the SSM. The SRB has the authority to exercise specific resolution powers pursuant to the SRM Regulation similar to those of the competent authorities under the BRRD, including in relation to resolution planning and the assessment of resolvability. The exercise of the resolution tools created by the SRM Regulation and the BRRD could result in changes to the structure of a group to allow for a multiple-point-of-entry or a singlepoint-of-entry resolution.

As the scope of the BRRD (and its form under Irish law) together with its application is as yet untested, there is a material uncertainty as to the nature and duration of its impact on such intervention for the Issuers, the various categories of creditors and relevant markets generally.

*There are limited remedies for non-payment in respect of Dated Subordinated Notes and certain Ordinary Notes*

The sole remedy against the relevant Issuer available to the Trustee or any Noteholder or Couponholder for recovery of amounts owing in respect of or arising under any Dated Subordinated Notes will be the institution of proceedings for the winding up of the relevant Issuer and/or proving in any winding up of the relevant Issuer.

Similarly, in respect of any Ordinary Notes issued by BOIG where the applicable Final Terms or Pricing Supplement (as the case may be) specifies “*Restricted Events of Default*” as “*Applicable*”, the sole remedy against BOIG available to the Trustee or any Noteholder or Couponholder for recovery of amounts owing in respect of or arising under such Ordinary Notes will be the institution of proceedings for the winding up of BOIG and/or proving in any winding up of BOIG.

As the remedies available to holders of Dated Subordinated Notes or of Ordinary Notes with restricted events of default are restricted as described above, the enforcement rights of holders’ in respect of these Notes are extremely limited.

*Limitation on gross-up obligation under Dated Subordinated Notes*

The relevant Issuer’s obligation to pay additional amounts in respect of any withholding or deduction for or on account of Irish taxes under the terms of the Dated Subordinated Notes applies only to payments of interest due and payable under the Dated Subordinated Notes and not to payments of principal (which term, for these purposes, includes any premium, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount and Amortised Face Amount, Instalment Amount and any other amount (other than interest) payable in respect of Dated Subordinated Notes). As such, the relevant Issuer would not be required to pay any additional amounts under the terms of the Dated Subordinated Notes to the extent any withholding or deduction for or on account of Irish tax is applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under any Dated Subordinated Notes, holders of such Dated Subordinated Notes would, upon repayment or redemption of such Dated Subordinated Notes, be entitled to receive only the net amount of such redemption or repayment proceeds after deduction of the amount required to be withheld. Therefore, holders may receive less than the full amount due under such Dated Subordinated Notes, and the market value of such Dated Subordinated Notes may be adversely affected as a result.

*Certain Ordinary Notes issued by BOIG may be redeemed by BOIG upon the occurrence of a Loss Absorption Disqualification Event. If such Ordinary Notes are to be so redeemed or there is a perception that the Ordinary Notes may be so redeemed, this may impact the market price of the Ordinary Notes*

If at any time a Loss Absorption Disqualification Event occurs in relation to any Series of Ordinary Notes issued by BOIG, and if the applicable Final Terms or (in the case of Exempt Notes) Pricing Supplement specifies that BOIG has the option to redeem such Ordinary Notes upon the occurrence of a Loss Absorption Disqualification Event, BOIG may redeem all, but not some only, of the Ordinary Notes of such Series at the

price set out in the applicable Final Terms or Pricing Supplement (as the case may be) together with any outstanding interest.

A Loss Absorption Disqualification Event shall be deemed to have occurred if, as a result of any amendment to, or change in, any Loss Absorption Regulation, or any change in the application or official interpretation of any Loss Absorption Regulation, in any such case becoming effective on or after the Issue Date of the first Tranche of the Ordinary Notes of the relevant Series, the Ordinary Notes of such Series are or (in the opinion of BOIG or the Competent Authority) are likely to be fully or (if so specified in the applicable Final Terms or Pricing Supplement, as the case may be) partially excluded from BOIG's and/or the Regulatory Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to BOIG and/or the Regulatory Group and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur where the exclusion of the Ordinary Notes from the relevant minimum requirement(s) is due to the remaining maturity of the Ordinary Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to BOIG and/or the Regulatory Group on the Issue Date of the first Tranche of the Ordinary Notes of such Series.

As the implementation of the minimum requirements for eligible liabilities under the BRRD is subject to the adoption of further secondary legislation and implementation in Ireland, BOIG is currently unable to predict whether the Ordinary Notes issued by it will be fully or partially excluded from its or the Regulatory Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to BOIG and/or the Regulatory Group.

If any such Ordinary Notes issued by BOIG are to be redeemed as a result of a Loss Absorption Disqualification Event or there is a perception that such Ordinary Notes may be so redeemed, this may impact the market price of such Ordinary Notes. In addition, there can be no assurance that Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investment in such Ordinary Notes.

*There are no rights of set-off or counterclaim in respect of Dated Subordinated Notes and certain Ordinary Notes issued by BOIG*

Subject to applicable law, no holder of such a Dated Subordinated Note or a Coupon relating thereto may exercise or claim any right of set-off in respect of any amount owed to it by the relevant Issuer arising under or in connection with the relevant Dated Subordinated Notes and the Coupons relating thereto and each holder of such Dated Subordinated Note or a Coupon relating thereto shall, by virtue of its subscription, purchase or holding of any such Dated Subordinated Note or Coupon, be deemed to have waived all such rights of set-off.

The foregoing paragraph shall also apply, *mutatis mutandis*, in respect of any Ordinary Notes issued by BOIG where the applicable Final Terms or Pricing Supplement (as the case may be) specifies "*Ordinary Notes: Waiver of Set-off*" to be applicable. Accordingly, in respect of any such Ordinary Note, subject to applicable law no holder of such Ordinary Note, or a Coupon relating thereto, may exercise or claim any right of set-off in respect of any amount owed to it by BOIG arising under or in connection with the relevant Ordinary Note or any Coupon relating thereto and each holder of any such Ordinary Note or Coupon relating thereto shall, by virtue of its subscription, purchase or holding of any such Ordinary Note or Coupon, be deemed to have waived all such rights of set-off.

*Substitution and Variation of Dated Subordinated Notes and certain Ordinary Notes*

If, in the case of any Series of Dated Subordinated Notes, "*Substitution and Variation*" is specified as "*Applicable*" in the applicable Final Terms or (as the case may be) Pricing Supplement, then following the occurrence of a Capital Event, the relevant Issuer may, subject as provided in Condition 6(m)(iii) and without the need for any consent of the Noteholders or the Couponholders, substitute all (but not some only) of such Series of Dated Subordinated Notes for, or vary the terms of such Series of Dated Subordinated Notes so that they remain or become, Tier 2 Compliant Notes (as defined in Condition 6(m)(i)).

If, in the case of any Series of Ordinary Notes issued by BOIG, "*Substitution and Variation*" is specified as "*Applicable*" in the applicable Final Terms or (as the case may be) Pricing Supplement, then following the occurrence of a Loss Absorption Disqualification Event, BOIG may, subject as provided in Condition 6(m)(iii) and without the need for any consent of the Noteholders or the Couponholders, substitute all (but not some only) of such Series of Ordinary Notes for, or vary the terms of such Series of Ordinary Notes so that they remain or become, Loss Absorption Compliant Notes (as defined in Condition 6(m)(ii)).

No assurance can be given as to whether any of these changes will negatively affect any particular holder. In addition, the tax and stamp duty consequences of holding such substituted or varied Notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding such Notes prior to such substitution or variation.

*The interest rate on Fixed Rate Reset Notes will reset on each Reset Date, which can be expected to affect the interest payment on an investment in Fixed Rate Reset Notes and could affect the market value of Fixed Rate Reset Notes.*

Reset Notes will initially earn interest at the Initial Rate of Interest until (but excluding) the first Reset Date. On the first Reset Date, however, and on each Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Subsequent Reset Rate and the Reset Margin as determined by the Agent on the relevant Reset Determination Date (each such interest rate, a “**Reset Rate of Interest**”). The Reset Rate of Interest for any Reset Period could be less than Initial Rate of Interest or the Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Fixed Rate Reset Notes.

*The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”.*

Interest rates and indices which are deemed to be “benchmarks”, are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a “benchmark”. Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”) was published in the Official Journal of the EU on 29 June 2016 and will apply from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities (such as the Issuers) of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. For example, the sustainability of the London interbank offered rate (“**LIBOR**”) has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, the United Kingdom Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the “**FCA Announcement**”). The FCA Announcement indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Notes linked to such benchmark (including but not limited to floating rate Notes whose interest rates are linked to LIBOR). Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

### ***Risks applicable to certain types of Exempt Notes***

*There are particular risks associated with an investment in certain types of Exempt Notes, such as Index Linked Notes and Dual Currency Notes. In particular, an investor might receive less interest than expected or no interest in respect of such Notes and may lose some or all of the principal amount invested by it*

The Issuers may issue Exempt Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “**Relevant Factor**”). In addition, the Issuers may issue Exempt Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Exempt Notes are denominated. Potential investors should be aware that:

- (a) the market price of such Exempt Notes may be volatile;
- (b) they may receive no interest;
- (c) payment of principal or interest may occur at a different time or in a different currency than expected;
- (d) they may lose all or a substantial portion of their principal;
- (e) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (f) if a Relevant Factor is applied to Exempt Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (g) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index or other Relevant Factor should not be viewed as an indication of the future performance of such Relevant Factor during the term of any Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Notes linked to a Relevant Factor and the suitability of such Notes in light of its particular circumstances.

*Where Exempt Notes are issued on a partly paid basis, an investor who fails to pay any subsequent instalment of the issue price could lose all of his investment*

The Issuers may issue Exempt Notes where the issue price is payable in more than one instalment. Any failure by any investor to pay any subsequent instalment of the issue price in respect of his Notes could result in such investor losing all of his investment.

*Notes which are issued with variable interest rates or which are structured to include a multiplier or other leverage factor are likely to have more volatile market values than more standard securities*

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

*Inverse Floating Rate Notes will have more volatile market values than conventional Floating Rate Notes*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

### ***Risks related to Notes generally***

Set out below is a description of material risks relating to the Notes generally:

*Meetings of Noteholders and other resolutions*

The conditions of the Notes 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.

In addition, the conditions and the Trust Deed contain provisions whereby holders of 75 per cent. or more in aggregate nominal value of the Notes of any Series may, by way of written resolution or electronic consents, consent to matters which affect the interests of Noteholders generally, and any such consent shall be binding on the holders of all Notes of that Series, whether or not voting in favour.

*Significant discretions are conferred on the Trustee, which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders*

The conditions of the Notes provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the relevant Issuer, in the circumstances described in Condition 15 of the conditions of the Notes.

*Organisation for Economic Co-operation and Development (the “OECD”) Common Reporting Standard*

Drawing extensively on the intergovernmental approach to implementing the United States Foreign Account Tax Compliance Act, the OECD developed the Common Reporting Standard (“CRS”) to address the issue of offshore tax evasion on a global basis. Aimed at maximising efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with the tax authorities in partner jurisdictions on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. Ireland has implemented the CRS into Irish law.

Under the CRS, participating jurisdictions are required to exchange certain information held by financial institutions regarding their reportable accounts. The first exchange of information is expected take place by the end of September 2017.

Ireland has adopted the “Wider Approach” to CRS due-diligence, therefore Irish Financial Institutions are required to carry out due diligence on all customers, although it should be noted that Ireland will only exchange CRS information with jurisdictions where there is a legal obligation to do so.

Noteholders may be required to provide additional information to the Issuers to enable each Issuer to satisfy its obligations under the CRS.

By subscribing for Notes, each Noteholder is agreeing to provide such information upon request from the Issuer or their delegates.

Pursuant to information-sharing arrangements in place between Ireland and/or the European Union and certain third countries and/or dependant or associated territories of CRS-participating jurisdictions, to the extent that those countries or territories are not “Reportable Jurisdictions” under the CRS, entities considered to be a paying agent for these purposes, may be obliged to collect certain information in relation to Noteholders in order to satisfy the disclosure requirements under CRS.

*Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed or

issued) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

### ***Risks related to the market generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes.*

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue, to some extent, at the date of this Prospectus), whereby there has been a general lack of liquidity in the secondary market for instruments similar to the Notes which, if it were to continue or worsen in the future, could result in investors suffering losses on the Notes in secondary resales even if there were no decline in the performance of the Notes or the assets of the relevant Issuer. The Issuers cannot predict when these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

*If an investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates that may adversely affect the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.*

The relevant Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and Monetary Authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the relevant Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor's Currency.

*The value of Fixed Rate Notes may be adversely affected by movements in market interest rates.*

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

*Credit ratings assigned to the relevant Issuer or any Notes may not reflect all the risks associated with an investment in those Notes*

One or more independent credit rating agencies may assign credit ratings to the relevant Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. Further, one or more credit rating agencies may from time to time release unsolicited credit ratings reports in relation to the Notes without the consent or knowledge of the relevant Issuer. The Issuers do not have any control over such reports or analyses and any adverse credit rating of any Notes could adversely affect the value of Notes. A credit rating is not a



recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

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). The list of registered and certified rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms.

## DOCUMENTS DEEMED TO BE INCORPORATED BY REFERENCE

The following documents which have previously been published (or are published simultaneously with this Prospectus) and have been filed with the Central Bank and with the Irish Stock Exchange shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) the audited consolidated financial statements of BOI for the financial years ended 31 December 2016 and 31 December 2015 and the Auditor's Reports dated 23 February 2017 and 19 February 2016, respectively by PricewaterhouseCoopers thereon;
- (b) the unaudited consolidated interim financial statements of the BOI Group for the six months ended 30 June 2017;
- (c) the Pillar 3 disclosures of the BOI Group for the year ended 31 December 2016;
- (d) the following sections of the Prospectus dated 4 April 2017 and published by BOIG in relation to the proposed admission to the Official Lists of the Irish Stock Exchange and the UK Financial Conduct Authority of up to 35,000,000,000 ordinary shares in the share capital of Bank of Ireland Group plc and to trading on the main markets of the Irish Stock Exchange and the London Stock Exchange (the "**Equity Prospectus**"):
  - (i) paragraph 6 (*Impact of the Scheme on the Group's Regulatory Capital Ratios*) of Section A (*Overview*) of Part V (*Scheme Summary*) on page 65 thereof;
  - (ii) Section A (*Effect of the Scheme on Capital Adequacy*) of Part XII (*Unaudited Pro Forma Financial information*) on pages 125 and 126 thereof; and
  - (iii) Section B (*Report on the unaudited pro forma financial information of the Company*) of Part XII (*Unaudited Pro Forma Financial information*) set out on pages 127 and 128.
- (e) the terms and conditions contained in the previous Information Memorandum dated 7 July 2005, pages 29 to 52 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/Final%20Imemo%20-%20BoI%20EMTN%20update\\_1189.pdf](http://www.ise.ie/debt_documents/Final%20Imemo%20-%20BoI%20EMTN%20update_1189.pdf);
- (f) the terms and conditions contained in the previous Prospectus dated 7 July 2006, pages 30 to 53 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/boi\\_7941.pdf](http://www.ise.ie/debt_documents/boi_7941.pdf);
- (g) the terms and conditions contained in the previous Prospectus dated 11 July 2007, pages 41 to 64 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/BOI%20Base%20Pros%20Update%20\(20205\)\\_9676.pdf](http://www.ise.ie/debt_documents/BOI%20Base%20Pros%20Update%20(20205)_9676.pdf);
- (h) the terms and conditions contained in the previous Prospectus dated 11 July 2008, pages 45-69 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/11July2008\\_791.pdf](http://www.ise.ie/debt_documents/11July2008_791.pdf);
- (i) the terms and conditions contained in the previous Prospectus dated 8 January 2010, pages 60 to 84 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/31\\_10040\\_BP\\_08012010\\_15885.pdf](http://www.ise.ie/debt_documents/31_10040_BP_08012010_15885.pdf);
- (j) the terms and conditions contained in the previous Prospectus dated 20 December 2011, pages 110 to 168 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_3ad6987a-860e-42bf-ac1d-5589eef4842e.pdf](http://www.ise.ie/debt_documents/Base%20Prospectus_3ad6987a-860e-42bf-ac1d-5589eef4842e.pdf);
- (k) the terms and conditions contained in the previous Prospectus dated 4 September 2013, pages 62 to 84 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_c0eeb80f-7db9-40a4-86bc-b67f7d4ba22a.PDF](http://www.ise.ie/debt_documents/Base%20Prospectus_c0eeb80f-7db9-40a4-86bc-b67f7d4ba22a.PDF);
- (l) the terms and conditions contained in the previous Prospectus dated 30 May 2014, pages 74 to 97 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_792d4a06-a165-46d5-8a2d-586f3fd4db71.PDF](http://www.ise.ie/debt_documents/Base%20Prospectus_792d4a06-a165-46d5-8a2d-586f3fd4db71.PDF);
- (m) the terms and conditions contained in the previous Prospectus dated 18 June 2015, pages 71 to 94 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at

[http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_864dc622-726f-4a29-9dc4-068cbc75d66d.pdf](http://www.ise.ie/debt_documents/Base%20Prospectus_864dc622-726f-4a29-9dc4-068cbc75d66d.pdf), and

- (n) the terms and conditions contained in the Prospectus dated 16 June 2016, pages 71 to 94 (inclusive), prepared by BOI in connection with the Programme, which can be viewed online at [http://www.ise.ie/debt\\_documents/Final%20Base%20Prospectus\\_d5e988dc-2f8e-46a6-91b9-addde29d06be.pdf](http://www.ise.ie/debt_documents/Final%20Base%20Prospectus_d5e988dc-2f8e-46a6-91b9-addde29d06be.pdf).

Following the publication of this Prospectus a supplement may be prepared by the Issuers and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus can be obtained: (i) by a request in writing to the Issuers or the Paying Agents at their specified offices as set out at the end of this Prospectus; or (ii) by visiting the Issuers' website at <http://investorrelations.bankofireland.com>, or in the case of the documents listed at paragraphs (d) to (m) above by visiting the websites included in those paragraphs.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

References in this Prospectus or any documents incorporated by reference in this Prospectus to websites are made for information purposes only and the contents of those websites (save for the documents incorporated by reference in this Prospectus) do not form part of this Prospectus.

The Issuers will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus in accordance with Article 16 of the Prospectus Directive, prepare supplementary Listing Particulars in accordance with the Rules of the Irish Stock Exchange (in respect of Exempt Notes) or publish a new Prospectus for use in connection with any subsequent issue of Notes.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuers may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes denominated in any currency and having a minimum maturity of one month, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the relevant Issuer and the relevant Dealer(s) prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, or incorporated by reference into, the Notes, as completed by the applicable Final Terms or (in case of Exempt Notes) Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under “*Form of the Notes*” below. Each such Final Terms in respect of Notes to be listed on the Official List of the Irish Stock Exchange and admitted to trading on the regulated market of the Irish Stock Exchange and each such Pricing Supplement in respect of Exempt Notes to be admitted to the Official List of the Irish Stock Exchange and trading on the Global Exchange Market will be delivered as appropriate to the Irish Stock Exchange prior to the date of issue of such Notes.

This Prospectus and any supplement will only be valid for issues of Notes in an aggregate nominal amount, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed €25,000,000,000 or its equivalent in other currencies. For the purpose of calculating the euro equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms or, as the case may be, Pricing Supplement in relation to the relevant Notes and as described under “*Form of the Notes*”) shall be determined, at the discretion of the relevant Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the relevant Issuer on the relevant day of calculation; and
- (b) the euro equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (all of which shall be Exempt Notes) shall be calculated in the manner specified above by reference to the original nominal amount on issue of those Notes (in the case of Partly Paid Notes regardless of the amount of the subscription price paid); and
- (c) the euro equivalent of Zero Coupon Notes (as specified in the applicable Final Terms in relation to the relevant Notes) and other Notes issued at a discount or premium shall be calculated in the manner specified above by reference to the net proceeds received by the relevant Issuer for the relevant issue.

## FORM OF THE NOTES

*Any reference in this section to “applicable Final Terms” shall be deemed to include a reference to “applicable Pricing Supplement” where relevant.*

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Bearer Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”) and Registered Notes will be issued outside the United States in reliance on the exemption from registration provided by Regulation S.

### **Form of the Bearer Notes**

Each Tranche of Bearer Notes will be in bearer form and will be initially issued in the form of a temporary global note (a “**Temporary Bearer Global Note**”) or, if so specified in the applicable Final Terms, a permanent global Note (a “**Permanent Bearer Global Note**”) and, together with a Temporary Bearer Global Note, each a “**Bearer Global Note**”) which, in either case, will:

- (i) if the Bearer Global Notes are intended to be issued in new global note (“**NGN**”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”); and
- (ii) if the Bearer Global Notes are not intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common depositary (the “**Common Depositary**”) for Euroclear and Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in the form provided for by the relevant clearing system) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent (as defined under “*Terms and Conditions of the Notes*” below). Any reference in this section “*Form of the Notes*” to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the relevant Issuer, the Trustee (as defined under “*Terms and Conditions of the Notes*” below) and the Agent.

On and after the Exchange Date interests in such Temporary Bearer Global Note will be exchangeable free of charge upon a request as described therein either for interests in a Permanent Bearer Global Note without receipts, interest coupons or talons or for definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached. In each case the exchange will be against certification of beneficial ownership as described in the first sentence of the immediately preceding paragraph unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The “**Distribution Compliance Period**” expires on the Exchange Date. The “**Exchange Date**” is the later of 40 days after the Temporary Bearer Global Note is issued and 40 days after completion of the distribution of the relevant Tranche. Completion of distribution of the relevant Tranche will be certified by the relevant Dealer, in the case of a non-syndicated issue, or the relevant Lead Manager, in the case of a syndicated issue. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*” below) the Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period applicable to the Notes of such Tranche.

Payments of principal and interest (if any) on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification. Unless otherwise specified in the applicable Final Terms, a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached, either (a) at the option of the relevant Issuer who may give notice to the Agent requesting exchange or (b) upon the occurrence of an Exchange Event.

For these purposes, “**Exchange Event**” means that the relevant Issuer has been notified that Euroclear and/or Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system satisfactory to the Trustee is available. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Agent requesting exchange and the relevant Issuer may also give notice to the Agent requesting exchange.

Any such exchange shall occur not later than 60 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all Bearer Global Notes and definitive Notes which have an original maturity of more than 1 year and which are subject to TEFRA D US Selling Restrictions and on all receipts, interest coupons and talons, where applicable, relating to such definitive Notes:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts, interest coupons or talons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes, receipts, interest coupons or talons.

The relevant Issuer may agree with any Dealer and the Trustee that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event, other than where such Notes are Exempt Notes, a supplement to this Prospectus or a new Prospectus will be made available which will describe the effect of the agreement reached in relation to such Notes.

#### ***Form of the Registered Notes***

The Registered Notes of each Tranche will initially be represented by a global note in registered form (a “**Registered Global Note**”). Registered Global Notes will be deposited with a common depository or, if the Registered Global Notes are to be held under the new safe-keeping structure (the “**NSS**”), a common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of the nominee for the Common Depository of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Where the Registered Global Notes issued in respect of any Tranche is intended to be held under the NSS, the applicable Final Terms will indicate whether or not such Registered Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Registered Global Note held under the NSS will either by Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 5(g))

as the registered holder of the Registered Global Notes. None of the Issuers, any Paying Agent, the Trustee or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 5(g)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system satisfactory to the Trustee is available. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) or the Trustee may give notice to the Registrar requesting exchange and the relevant Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

## APPLICABLE FINAL TERMS

### RETAIL FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes and which have a denomination of less than EUR 100,000 (or its equivalent in another currency) issued under the Programme.*

**[PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA RETAIL INVESTORS** – The Notes, from 1 January 2018, are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. 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 (“**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended), 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 (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.][*Include if the Final Terms specifies “Prohibition of Sales to European Economic Area Retail Investors” as “Applicable”*]

[Date]

**[THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND]  
[BANK OF IRELAND GROUP PLC]  
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
Under the €25,000,000,000  
Euro Note Programme**

Any person making or intending to make an offer of the Notes may only do so [:

- (i) in those Public Offer Jurisdictions mentioned in Paragraph 9 of Part B below, provided such person is a Dealer or an Authorised Offeror (as such term is defined in the Prospectus) and that such offer is made during the Offer Period specified that paragraph and that any conditions relevant to the use of the Prospectus are complied with; or
- (ii) otherwise]<sup>2</sup> in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

### PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the prospectus dated 11 August 2017 (the “**Prospectus**”) [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. When used in these Final Terms, “**Prospectus Directive**” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus [as so supplemented]. A summary of the Notes (which comprises the summary in the Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplement[s]] [is] [are] available for viewing on the website of the Central Bank of Ireland and at <http://www.bankofireland.com/about-bank-of-ireland/investor-relations/debt-investors/debt-capital-issuance> and copies may be obtained during normal business hours at the principal office of the Issuer at 40 Mespil Road, Dublin 4, Ireland and the specified office of the Paying Agent.]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date. N.B. when using a post – 1 July 2012 approved Prospectus to*

<sup>2</sup> Include this legend where a public offer of Notes is anticipated.



*tap a previous issue under a pre – 1 July 2012 approved Prospectus, the final terms in the post – 1 July 2012 Prospectus will take a different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated [original date] which are incorporated by reference in the prospectus dated 11 August 2017 (the “**Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. When used in these Final Terms, “**Prospectus Directive**” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. A summary of the Notes (which comprises the summary in the Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. Copies of such Prospectus [and the supplement[s]] [is] [are] available for viewing [at [website]] and copies may be obtained during normal business hours at the principal office of the Issuer at 40 Mespil Road, Dublin 4, Ireland and the specified office of the Paying Agent.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the final terms.]*

*[When completing any final terms, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]*

1. Issuer: [The Governor and Company of the Bank of Ireland][Bank of Ireland Group plc]
2. (i) Series Number: [ ]
- (ii) Tranche Number: [ ]
- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [ ] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 27 below, which is expected to occur on or about [date]] / [Not Applicable]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount:
  - Tranche: [ ]
  - Series: [ ]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]
6. (i) Specified Denominations: [ ]
- (ii) Calculation Amount: [ ]  
*(If only one Specified Denomination, insert the Specified Denomination.  
If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*

7. (i) Issue Date: [       ]  
(ii) Interest Commencement Date: [[     ]/Issue Date/Not Applicable]  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [Fixed rate – [     ]]  
[Floating rate – Interest Payment Date falling in or nearest to [specify month]]
9. Interest Basis: [[     ] per cent. Fixed Rate]  
[[     ] month [LIBOR/EURIBOR] +/- [     ] per cent. Floating Rate]  
[[     ] per cent. Fixed Rate until [     ], then calculated in accordance with paragraph 16 below]  
[Zero Coupon]  
(further particulars specified below, see paragraph [15/16/17/18])
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: [Applicable – see Fixed Rate Note Provisions and Fixed Rate Reset Note Provisions/Applicable – Fixed Rate changing to Floating Rate – see Fixed Rate Note Provisions and Floating Rate Note Provisions/Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Redemption following a Capital Event]  
[Redemption following a Tax Event]  
[Redemption following a Loss Absorption Disqualification Event]  
[Not Applicable]  
[(further particulars specified below, see paragraph [19/20/21/22/23])]
13. [(i)] Status of the Notes: [Ordinary/Dated Subordinated]  
*(If the Notes are Dated Subordinated Notes, delete the remaining subparagraphs of this paragraph)*
- (ii) Ordinary Notes: Waiver of Set-off: [Applicable - Condition 3(c) applies] / [Not Applicable – Condition 3(c) does not apply]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG)*
- (iii) Ordinary Notes: Restricted Events of Default: [Applicable – Condition 9(b) applies] / [Not Applicable – Condition 9(a) applies]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG)*
14. Method of distribution: [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [     ] per cent. per annum payable in arrear on each Interest Payment Date [subject as provided in paragraph 16 below]
- (ii) Interest Payment Date(s): [     ] [and [     ]] in each year [up to and including the Maturity Date]  
*(NB: This will need to be amended in the case of long or*

- short coupons)*
- (iii) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form only)*
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] / Not Applicable]  
*(Applicable to Notes in definitive form)*
- (v) Day Count Fraction: [Actual/Actual (ICMA)] / [30/360] / [Actual/365(Fixed)]
- (vi) [Determination Date(s): [ ] in each year / Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration  
NB: only relevant where Day Count Fraction is Actual/Actual (ICMA))*
16. Fixed Rate Reset Note Provisions: [Applicable/Not Applicable]
- (i) Initial Rate of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] [and [ ] ] in each year [up to and including the Maturity Date]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Day Count Fraction: [Actual/Actual (ICMA)] / [30/360] / [Actual/365 (Fixed)]
- (iv) [Determination Date(s): [ ] in each year / [Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration  
NB: only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (v) Reset Date(s): [ ]
- (vi) Subsequent Reset Reference Rate(s): [Mid Swaps/Reference Bond]
- Subsequent Reset Rate Screen Page: [[ ] / Not Applicable] *(Delete if Reference Bond selected)*
- Mid Swap Maturity [ ]
- (vii) Fixed Leg Swap Duration: [ ]
- (viii) Reset Margin(s): [ ]
- (ix) Reset Determination Date(s): [ ]
- (x) Subsequent Reset Rate Time: [ ]
- (xi) Relevant Financial Centre: [ ]
17. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ]

- (ii) First Interest Payment Date: [       ]
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Additional Business Centre(s): [[       ] / Not Applicable]
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [[       ] / Not Applicable]
- (vii) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate and Relevant Financial Centre(s): Reference Rate: [       ] month [LIBOR/EURIBOR]  
Relevant Financial Centre: [London/Brussels]
- Interest Determination Date(s): [       ]  
*(Second day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
- Relevant Screen Page: [       ]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)*
- (viii) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [       ]
- Designated Maturity: [       ]
- Reset Date: [       ]
- (ix) Linear Interpolation: [Not Applicable/Applicable – the rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (x) Margin(s): [+/-] [       ] per cent. per annum
- (xi) Minimum Rate of Interest: [       ] per cent. per annum
- (xii) Maximum Rate of Interest: [       ] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360]  
[360/360]  
[30E/360]  
[30E/360 (ISDA)]  
[Eurobond Basis]  
[Bond Basis]
18. Zero Coupon Note Provisions [Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Accrual Yield: [ ] per cent. per annum
- (ii) Reference Price: [ ]
- (iii) Any other formula/basis of determining amount payable: [ ]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 6(e) and 6(k) apply]  
[30/360]  
[Actual/360]  
[Actual/365]  
*(Consider applicable day count fraction if not U.S. dollar denominated)*

**PROVISIONS RELATING TO REDEMPTION, SUBSTITUTION AND VARIATION**

- 19. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*  
*(In the case of Dated Subordinated Notes or Loss Absorption Notes include: "Issuer Call will be subject to Condition 6(l)")*
  - (i) Optional Redemption Date(s): [ ]
  - (ii) Optional Redemption Amount: [ ] per Calculation Amount
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [ ] per Calculation Amount
    - (b) Maximum Redemption Amount: [ ] per Calculation Amount
- 20. Redemption following a Capital Event (Condition 6(d)) [Applicable/Not Applicable]  
*(This item may only be expressed to be Applicable if the Notes are Dated Subordinated Notes)*
  - (i) Capital Event for partial exclusion: [Applicable/Not Applicable]
- 21. Redemption following a Tax Event (Condition 6(b)): [Applicable/Not Applicable]
- 22. Redemption following a Loss Absorption Disqualification Event (Condition 6(f)): [Applicable/Not Applicable]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG and the Notes are Ordinary Notes. If Not Applicable, delete the remaining subparagraph of this paragraph)*
  - (i) Loss Absorption Disqualification Event for partial exclusion: [Applicable/Not Applicable]
- 23. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
  - (i) Optional Redemption Date(s): [ ]
  - (ii) Optional Redemption Amount: [ ] per Calculation Amount  
*(N.B. This must always be a cash amount)*
- 24. Final Redemption Amount: [ ] per Calculation Amount
- 25. Early Redemption Amount payable on [ ] per Calculation Amount

redemption following a Tax Event, a Capital Event, a Loss Absorption Disqualification Event or on an event of default: *(N.B. This must always be a cash amount)*

26. Substitution and Variation (Condition 6(m)): [Applicable/Not Applicable]  
*(This item may only be specified as Applicable if the Notes are (i) Dated Subordinated Notes issued by BOI or BOIG or (ii) Ordinary Notes issued by BOIG)*

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

27. (i) Form of Notes: [Bearer Notes:]  
[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Notes either at the option of the Issuer or upon the occurrence of an Exchange Event.]  
[Temporary Bearer Global Note exchangeable for definitive Notes on and after the Exchange Date.]  
[Permanent Bearer Global Note which is exchangeable for definitive Notes either at the option of the Issuer or upon the occurrence of an Exchange Event]  
*(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Prospectus and the Notes themselves)*  
[Registered Notes:]  
[Registered Global Note registered in the name of a nominee for a common depositary/common safekeeper for Euroclear and Clearstream, Luxembourg]
- (ii) New Global Note: [Yes][No]
28. Additional Financial Centre(s): [Not Applicable/[ ]]  
*(Note that this paragraph relates to the date of payment and not Interest Period end dates)*
29. Talons for future Coupons to be attached to definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to trading on *[specify relevant regulated market and, if relevant, listing on an official list]* of the Notes described herein] pursuant to the €25,000,000,000 Euro Note Programme of The Governor and Company of the Bank of Ireland and Bank of Ireland Group plc.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Final Terms. *[Relevant third party information]* has been extracted from *[specify source]*. [The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of [The Governor and Company of the Bank of Ireland][Bank of Ireland Group plc]

By:.....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING:

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to [the Official List of the [Irish Stock Exchange/London Stock Exchange]] and trading on [the regulated market of the [Irish Stock Exchange/London Stock Exchange]] with effect from [           ].] / [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on [specify relevant official list] and admitted to trading on [specify relevant regulated market] with effect from [           ].] / [Not Applicable\*]
- (ii) Estimate of total expenses related to admission to trading: [           ]

### 2. RATINGS

[Not Applicable] / [The Notes to be issued [have been/are expected to be] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

[[Insert the legal name of the relevant credit rating agency entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). [As such [insert the legal name of the relevant credit rating agency entity] is included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.][[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and is not registered in accordance with the CRA Regulation. [[Insert the legal name of the relevant non-EU credit rating agency entity] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). However, the application for registration under the CRA Regulation of [insert the legal name of the relevant EU credit rating agency entity that applied for registration], which is established in the European Union and is registered under the CRA Regulation [(and, as such is included in the list of credit rating agencies published by the European Securities and Markets Authority on its

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\* Where “Not Applicable” is specified, no application has been made to have the Notes listed or admitted to trading on any stock exchange

website in accordance with such Regulation)], disclosed the intention to endorse credit ratings of [*insert the legal name of the relevant non-EU credit rating agency entity*]. While notification of the corresponding final endorsement decision has not yet been provided by the relevant competent authority, the European Securities and Markets Authority has indicated that ratings issued in third countries may continue to be used in the EU by relevant market participants for a transitional period ending on 31 January 2012 (which may be extended to 30 April 2012).]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). The ratings [[have been]/[are expected to be]] endorsed by [*insert the legal name of the relevant EU-registered credit rating agency entity*] in accordance with the CRA Regulation. [*Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation.[As such [*insert the legal name of the relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]] [[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”) but it [is]/[has applied to be] certified in accordance with the CRA Regulation[[EITHER:] and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation] [[OR:] although notification of the corresponding certification decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

[[*Insert legal name of the relevant credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority [and [*insert the legal name of the relevant credit rating agency*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]



4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- (i) [Reasons for the offer: [ ]]  
*(See “Use of Proceeds” wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)*
- (ii) Estimated net proceeds: [ ]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*
- (iii) Estimated total expenses: [ ]. [Expenses are required to be broken down into each principal intended “use” and presented in order of priority of such “uses”.]

5. **YIELD** *(Insert for Fixed Rate Notes only)*

Indication of yield: [[ ] / Not Applicable]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **HISTORIC INTEREST RATES** *(Floating Rate Notes only)*

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].] / [Not Applicable]

7. **DISTRIBUTION**

- (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/[ ]]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
- (ii) Date of [Subscription] Agreement: [ ]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/[ ]]
- (iv) If non-syndicated, name and address of relevant Dealer: [Not Applicable/[ ]]
- (v) Total commission and concession: [ ]
- (vi) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (vii) Public Offer where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus: [Applicable] [Not Applicable]*(if not applicable, delete the remaining placeholders of this paragraph (vii) and also paragraph 9 below).*
- (viii) Public Offer Jurisdictions: *[Specify relevant Member State(s) where the issuer intends to make Public Offers (where the Prospectus lists the Public Offer Jurisdictions, select from that list), which must therefore be jurisdictions where the Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]*
- (ix) Offer Period: [Specify date] until [specify date or a formula such as “the Issue Date” or “the date which falls [ ] Business Days

thereafter”] (the **Offer Period**)

- (x) Financial intermediaries granted specific consent to use the Prospectus in accordance with the Conditions in it: [Insert names and addresses of financial intermediaries receiving consent (specific consent)]
- (xi) General Consent: [Not Applicable][Applicable]
- (xii) Other Authorised Offeror Terms: [Not Applicable][Add here any other Authorised Offeror Terms].  
*(Authorised Offeror Terms should only be included here where General Consent is applicable.)*  
*(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a public offer where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Public offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*
- (xiii) Prohibition of Sales to European Economic Area Retail Investors: [Applicable/Not Applicable]  
*(If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute “packaged” products, “Applicable” should be specified.)*

## 8. OPERATIONAL INFORMATION

- (i) ISIN: [ ]
- (ii) Common Code: [ ]
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s) [Not Applicable/[ ]]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Name and addresses of initial Paying Agent(s) (if any) [ ] / [Not Applicable]
- (vi) Names and addresses of additional Paying Agent(s) (if any): [ ]
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include this text for Registered Notes which are to be held under the NSS] 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 either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [*include this text for Registered Notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

## 9. TERMS AND CONDITIONS OF THE OFFER

- (i) Offer Price: [Issue Price] / [Not Applicable]/[ ]
- (ii) [Conditions to which the offer is subject:] [Not Applicable/[ ]]
- (iii) [Description of the application process:] [Not Applicable/[ ]]
- (iv) [Details of the minimum and/or maximum amount of application:] [Not Applicable/[ ]]
- (v) [Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:] [Not Applicable/[ ]]
- (vi) [Details of the method and time limits for paying up and delivering the Notes:] [Not Applicable/[ ]]
- (vii) [Manner in and date on which results of the offer are to be made public:] [Not Applicable/[ ]]
- (viii) [Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:] [Not Applicable/[ ]]
- (ix) [Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:] [Not Applicable/[ ]]
- (x) [Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not Applicable/[ ]]
- (xi) [Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:] [The Authorised Offerors identified in or in the manner specified in paragraph 7 above and identifiable from the Prospectus/None/[ ]].
- (xii) [Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and

offer rates and description of the main terms of their commitment:]

**10. THIRD PARTY INFORMATION**

[[ ] has been extracted from [ ]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.] / [Not Applicable]

**ANNEX TO THE FINAL TERMS – SUMMARY OF THE ISSUE**

*[Prospectus summary to be inserted and the options given as placeholders in the summary to be completed in respect of the Notes being issued.]*

## WHOLESALE FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes and which have a denomination of at least EUR 100,000 (or its equivalent in another currency) issued under the Programme.*

**[PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA RETAIL INVESTORS** – The Notes, from 1 January 2018, are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. 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 (“**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended), 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 (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.][*Include if the Final Terms specifies “Prohibition of Sales to European Economic Area Retail Investors” as “Applicable”*]

[Date]

**[THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND]  
[BANK OF IRELAND GROUP PLC]  
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
Under the €25,000,000,000  
Euro Note Programme**

### **PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the prospectus dated 11 August 2017 (the “**Prospectus**”) [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. When used in these Final Terms, “**Prospectus Directive**” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the supplement[s]] [is] [are] available for viewing on the website of the Central Bank of Ireland and at <http://www.bankofireland.com/about-bank-of-ireland/investor-relations/debt-investors/debt-capital-issuance> and copies may be obtained during normal business hours at the principal office of the Issuer at 40 Mespil Road, Dublin 4, Ireland and the specified office of the Paying Agent.]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date. N.B. when using a post – 1 July 2012 approved Prospectus to tap a previous issue under a pre – 1 July 2012 approved Prospectus, the final terms in the post – 1 July 2012 Prospectus will take a different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the prospectus dated [original date] which are incorporated by reference in the prospectus dated 11 August 2017 (the “**Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive. When used in these Final Terms, “**Prospectus Directive**” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the

supplement[s]] [is] [are] available for viewing [at [website]] and copies may be obtained during normal business hours at the principal office of the Issuer at 40 Mespil Road, Dublin 4, Ireland and the specified office of the Paying Agent.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the final terms.]*

*[When completing any final terms, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]*

1. Issuer: [The Governor and Company of the Bank of Ireland][Bank of Ireland Group plc]
2. (i) Series Number: [ ]
- (ii) Tranche Number: [ ]
- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [ ] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 27 below, which is expected to occur on or about [date]] / [Not Applicable]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount:
  - Tranche: [ ]
  - Series: [ ]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]
6. (i) Specified Denominations: [ ]  
*(Note – where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed in the case of Bearer Notes: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)*
- (ii) Calculation Amount: [ ]  
*(If only one Specified Denomination, insert the Specified Denomination.  
If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [[ ]/Issue Date/Not Applicable]  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [Fixed rate – [ ]]  
[Floating rate – Interest Payment Date falling in or nearest to [specify month]]

9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] month [LIBOR/EURIBOR] +/- [ ] per cent. Floating Rate]  
[[ ] per cent. Fixed Rate until [ ], then calculated in accordance with paragraph 16 below]  
[Zero Coupon]  
(further particulars specified below, see paragraph [15/16/17/18])
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: [Applicable – see Fixed Rate Note Provisions and Fixed Rate Reset Note Provisions/Applicable – Fixed Rate changing to Floating Rate – see Fixed Rate Note Provisions and Floating Rate Note Provisions/Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Redemption following a Capital Event]  
[Redemption following a Tax Event]  
[Redemption following a Loss Absorption Disqualification Event]  
[Not Applicable]  
[(further particulars specified below, see paragraph [19/20/21/22/23])]
13. [(i)] Status of the Notes: [Ordinary/Dated Subordinated]  
*(If the Notes are Dated Subordinated Notes, delete the remaining subparagraphs of this paragraph)*
- (ii) Ordinary Notes: Waiver of Set-off: [Applicable - Condition 3(c) applies] / [Not Applicable – Condition 3(c) does not apply]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG)*
- (iii) Ordinary Notes: Restricted Events of Default: [Applicable – Condition 9(b) applies] / [Not Applicable – Condition 9(a) applies]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG)*
14. Method of distribution: [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date [subject as provided in paragraph 16 below]
- (ii) Interest Payment Date(s): [ ] [and [ ]] in each year [up to and including the Maturity Date]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form only)*
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] / [Not Applicable]  
*(Applicable to Notes in definitive form)*



- only)
- (v) Day Count Fraction: [Actual/Actual (ICMA)] / [30/360] / [Actual/365 (Fixed)]
- (vi) [Determination Date(s): [ ] in each year / [Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration*  
*(NB: only relevant where Day Count Fraction is Actual/Actual (ICMA))]*
16. Fixed Rate Reset Note Provisions: [Applicable/Not Applicable]
- (i) Initial Rate of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] [and [ ]]] in each year [up to and including the Maturity Date]  
 (NB: This will need to be amended in the case of long or short coupons)
- (iii) Day Count Fraction: [Actual/Actual (ICMA)] / [30/360] / [Actual/365 (Fixed)]
- (iv) [Determination Date(s): [ ] in each year / [Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration*  
*NB: only relevant where Day Count Fraction is Actual/Actual (ICMA))]*
- (v) Reset Date(s): [ ]
- (vi) Subsequent Reset Reference Rate(s): [Mid Swaps/Reference Bond]  
 — Subsequent Reset Rate Screen Page: [[ ]/Not Applicable] *(Delete if Reference Bond selected)*  
 — Mid Swap Maturity [ ]
- (vii) Fixed Leg Swap Duration: [ ]
- (viii) Reset Margin(s): [ ]
- (ix) Reset Determination Date(s): [ ]
- (x) Subsequent Reset Rate Time: [ ]
- (xi) Relevant Financial Centre: [ ]
17. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (ii) First Interest Payment Date: [ ]
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Additional Business Centre(s): [ ] / [Not Applicable]

- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ]/[Not Applicable]
- (vii) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate and Relevant Financial Centre(s): Reference Rate: [ ] month [LIBOR/EURIBOR]  
Relevant Financial Centre: [London/Brussels]
- Interest Determination Date(s): [ ]  
*(Second day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
- Relevant Screen Page: [ ]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)*
- (viii) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ]
- Designated Maturity: [ ]
- Reset Date: [ ]
- (ix) Linear Interpolation: [Not Applicable/Applicable – the rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (x) Margin(s): [+/-] [ ] per cent. per annum
- (xi) Minimum Rate of Interest: [ ] per cent. per annum
- (xii) Maximum Rate of Interest: [ ] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ISDA)]  
[Actual/Actual]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360]  
[30E/360]  
[30E/360 (ISDA)]  
[360/360]  
[Bond Basis]  
[Eurobond Basis]
18. Zero Coupon Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Accrual Yield: [ ] per cent. per annum
- (ii) Reference Price: [ ]

- (iii) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 6(e) and 6(k) apply]  
 [30/360]  
 [Actual/360]  
 [Actual/365]  
 (Consider applicable day count fraction if not U.S. dollar denominated)

**PROVISIONS RELATING TO REDEMPTION, SUBSTITUTION AND VARIATION**

19. (i) Issuer Call: [Applicable/Not Applicable]  
 (If not applicable, delete the remaining subparagraphs of this paragraph)  
 (In the case of Dated Subordinated Notes or Loss Absorption Notes include: "Issuer Call will be subject to Condition 6(l)")
- (ii) Optional Redemption Date(s): [ ]
- (iii) Optional Redemption Amount: [ ] per Calculation Amount  
 (N.B. This must always be a cash amount)
- (iv) If redeemable in part:
- (a) Minimum Redemption Amount: [ ]
- (b) Maximum Redemption Amount: [ ]
20. Redemption following a Capital Event (Condition 6(d)): [Applicable/Not Applicable]  
 (This item may only be expressed to be Applicable if the Notes are Dated Subordinated Notes)
- (i) Capital Event for partial exclusion: [Applicable/Not Applicable]
21. Redemption following a Tax Event (Condition 6(b)): [Applicable/Not Applicable]
22. Redemption following a Loss Absorption Disqualification Event (Condition 6(f)): [Applicable/Not Applicable]  
 (This item may only be expressed to be Applicable where the Issuer is BOIG and the Notes are Ordinary Notes. If Not Applicable, delete the remaining subparagraph of this paragraph)
- (i) Loss Absorption Disqualification Event for partial exclusion: [Applicable/Not Applicable]
23. Investor Put: [Applicable/Not Applicable]  
 (If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount: [ ] per Calculation Amount  
 (N.B. This must always be a cash amount)
24. Final Redemption Amount: [ ] per Calculation Amount
25. Early Redemption Amount payable on redemption following a Tax Event, a Capital Event, a Loss Absorption Disqualification Event or on an event of default: [ ] per Calculation Amount  
 (N.B. This must always be a cash amount)
26. Substitution and Variation (Condition 6(m)): [Applicable/Not Applicable]  
 (This item may only be specified as Applicable if the Notes are (i) Dated Subordinated Notes issued by BOI or BOIG or (ii) Ordinary Notes issued by BOIG)

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

27. (i) Form of Notes: [Bearer Notes:]  
[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Notes either at the option of the Issuer or upon the occurrence of an Exchange Event.]  
[Temporary Bearer Global Note exchangeable for definitive Notes on and after the Exchange Date.]  
[Permanent Bearer Global Note which is exchangeable for definitive Notes either at the option of the Issuer or upon the occurrence of an Exchange Event]
- (Ensure that this is consistent with the wording in the "Form of the Notes" section in the Prospectus and the Notes themselves. N.B. Need to amend right to exchange for definitive Notes to disapply any Noteholder/Issuer optional exchange where Notes are expressed to have a Specified Denomination of EUR 100,000 or its equivalent and integral multiples of another smaller amount, e.g. EUR 1,000, thereafter in order for Notes to be accepted by the clearing systems. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for Definitive Notes.)*
- [Registered Notes:]  
[Registered Global Note registered in the name of a nominee for a common depositary/common safekeeper for Euroclear and Clearstream, Luxembourg]
- (ii) New Global Note: [Yes][No]
28. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/[ ]]  
*(Note that this paragraph relates to the date of payment and not Interest Period end dates)*
29. Talons for future Coupons to be attached to definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made /No]

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on *[specify relevant regulated market and, if relevant, listing on an official list]* of the Notes described herein pursuant to the €25,000,000,000 Euro Note Programme of The Governor and Company of the Bank of Ireland and Bank of Ireland Group plc.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. *[Relevant third party information]* has been extracted from *[specify source]*. [The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of **[The Governor and Company of the Bank of Ireland][Bank of Ireland Group plc]**

By: .....

*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to [the Official List of the [Irish Stock Exchange/London Stock Exchange]] and trading on [the regulated market of the [Irish Stock Exchange/London Stock Exchange]] with effect from [ .] / [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on [specify relevant Official List] and admitted to trading on [specify relevant regulated market] with effect from [ .] / [Not Applicable\* ]
- (ii) Estimate of total expenses related to admission to trading: [ . ]

### 2. RATINGS

[Not Applicable] / [The Notes to be issued [have been/are expected to be] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

*[[Insert the legal name of the relevant credit rating agency entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “CRA Regulation”). [As such [insert the legal name of the relevant credit rating agency entity] is included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]]**[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and is not registered in accordance with the CRA Regulation. [[Insert the legal name of the relevant non-EU credit rating agency entity] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]*

*[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “CRA Regulation”). However, the application for registration under the CRA Regulation of [insert the legal name of the relevant EU credit rating agency entity that applied for registration], which is established in the European Union and is registered under the CRA Regulation [(and, as such is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation)], disclosed the intention to endorse credit ratings of [insert the legal name of the relevant non-EU credit rating agency entity]. While notification of the corresponding final endorsement decision has not yet been provided by the relevant*

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\* Where “Not Applicable” is specified, no application has been made to have the Notes listed or admitted to trading on any stock exchange

competent authority, the European Securities and Markets Authority has indicated that ratings issued in third countries may continue to be used in the EU by relevant market participants for a transitional period ending on 31 January 2012 (which may be extended to 30 April 2012).]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). The ratings [[have been]/[are expected to be]] endorsed by [*insert the legal name of the relevant EU-registered credit rating agency entity*] in accordance with the CRA Regulation. [*Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation.[As such [*insert the legal name of the relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.] [[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”) but it [is]/[has applied to be] certified in accordance with the CRA Regulation[[EITHER:] and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation] [[OR:] although notification of the corresponding certification decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].

[[*Insert legal name of the relevant credit rating agency*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority [and [*insert the legal name of the relevant credit rating agency*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

**3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business].

**4. YIELD** (*Insert for Fixed Rate Notes only*)

Indication of yield:

[     ]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. **DISTRIBUTION**

- (i) If syndicated, names of Managers: [Not Applicable/[ ]]
- (ii) Date of [Subscription] Agreement: [ ]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/[ ]]
- (iv) If non-syndicated, name and address of relevant Dealer: [Not Applicable/[ ]]
- (v) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (vi) Prohibition of Sales to European Economic Area Retail Investors: [Applicable/Not Applicable]  
*(If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute “packaged” products, “Applicable” should be specified.)*

6. **HISTORIC INTEREST RATES (*Floating Rate Notes only*)**

Details of historic [LIBOR/EURIBOR/[ ]] rates can be obtained from [Reuters].]

7. **OPERATIONAL INFORMATION**

- (i) ISIN: [ ]
- (ii) Common Code: [ ]
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/[ ]]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Name and addresses of initial Paying Agent(s) (if any): [ ]/[Not Applicable]
- (vi) Names and addresses of additional Paying Agent(s) (if any): [ ]
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include this text for Registered Notes which are to be held under the NSS] 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 either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/  
[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper][include this text for Registered Notes]. Note that this does not necessarily mean



that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

**8. THIRD PARTY INFORMATION**

[[ ] has been extracted from [ ]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.] / [Not Applicable]

## APPLICABLE PRICING SUPPLEMENT

### EXEMPT NOTES

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes, whatever the denomination of those Notes, issued under the Programme.

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC (AS AMENDED) (THE “PROSPECTUS DIRECTIVE”) FOR THE ISSUE OF THE EXEMPT NOTES DESCRIBED BELOW.**

**[PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA RETAIL INVESTORS** – The Notes, from 1 January 2018, are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. 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 (“**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended), 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 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.][Include if the Pricing Supplement specifies “Prohibition of Sales to European Economic Area Retail Investors” as “Applicable”]

[Date]

**[THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND]  
[BANK OF IRELAND GROUP PLC]  
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
Under the €25,000,000,000  
Euro Note Programme**

### PART A – CONTRACTUAL TERMS

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the prospectus dated 11 August 2017 (the “**Prospectus**”) [as supplemented by the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] “Listing Particulars” for the purposes of the admission of the Notes to the Official List of the Irish Stock Exchange and to trading on the Global Exchange Market. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Prospectus [as so supplemented]. The Prospectus [and the supplement[s]] [is] [are] available for viewing at <http://www.bankofireland.com/about-bank-of-ireland/investor-relations/debt-investors/debt-capital-issuance> and copies may be obtained during normal business hours at the principal office of the Issuer at 40 Mespil Road, Dublin 4, Ireland and the specified office of the Paying Agent.]

*[The following language is to be included only if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the prospectus dated [original date] which are incorporated by reference in the Prospectus.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Pricing Supplement.]*

1. Issuer: [The Governor and Company of the Bank of Ireland][Bank of Ireland Group plc]
2. (i) Series Number: [ ]

- (ii) Tranche Number: [ ]
- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [ ] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 29 below, which is expected to occur on or about [date]] / [Not Applicable]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount:  
— Tranche: [ ]  
— Series: [ ]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]
6. (i) Specified Denominations: [ ]  
(ii) Calculation Amount: [ ]  
*(If only one Specified Denomination, insert the Specified Denomination.  
If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (i) Issue Date: [ ]  
(ii) Interest Commencement Date: [[ ]/Issue Date/Not Applicable]  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [Fixed rate – [ ]]  
[Floating rate – Interest Payment Date falling in or nearest to [specify month]]
9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[specify Reference Rate] +/- [ ] per cent. Floating Rate]  
[[ ] per cent. Fixed Rate until [ ], then calculated in accordance with paragraph 16 below]  
[Zero Coupon]  
[Index Linked Interest]  
[Dual Currency Interest]  
[specify other]  
(further particulars specified below, see paragraph [15/16/17/18/19/20])
10. Redemption/Payment Basis: [Redemption at par]  
[Index Linked Redemption]  
[Dual Currency Redemption]  
[Partly Paid]  
[Instalment]  
[specify other]
11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis/Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]

- [Redemption following a Capital Event]  
 [Redemption following a Tax Event]  
 [Redemption following a Loss Absorption Disqualification Event]  
 [Not Applicable]  
 [(further particulars specified below, see paragraph [21/22/23/24/25])]
13. [(i)] Status of the Notes: [Ordinary/Dated Subordinated]  
*(If the Notes are Dated Subordinated Notes, delete the remaining subparagraphs of this paragraph)*
- (ii) Ordinary Notes: Waiver of Set-off: [Applicable - Condition 3(c) applies] / [Not Applicable – Condition 3(c) does not apply]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG)*
- (iii) Ordinary Notes: Restricted Events of Default: [Applicable – Condition 9(b) applies] / [Not Applicable – Condition 9(a) applies]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG)*
14. Method of distribution: [Syndicated/Non-syndicated]
- PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**
15. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date [subject as provided in paragraph 16 below]
- (ii) Interest Payment Date(s): [ ] [and [ ]] in each year [up to and including the Maturity Date]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form only)*
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] / [Not Applicable]  
*(Applicable to Notes in definitive form only)*
- (v) Day Count Fraction: [Actual/Actual (ICMA)] / [30/360] / [Actual/365 (Fixed)] / [specify other]
- (vi) [Determination Date(s): [ ] in each year / [Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration  
 (NB: only relevant where Day Count Fraction is Actual/Actual (ICMA)))]*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes: [None/ give details]
16. Fixed Rate Reset Note Provisions: [Applicable/Not Applicable]

- (i) Initial Rate of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] [and [ ]] in each year [up to and including the Maturity Date]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Day Count Fraction: [Actual/Actual (ICMA)] / [30/360] /[Actual/365 (Fixed)] /*[specify other]*
- (iv) [Determination Date(s): [ ] in each year / [Not Applicable]  
*(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)*  
*NB: only relevant where Day Count Fraction is Actual/Actual (ICMA))]*
- (v) Reset Date(s): [ ]
- (vi) Subsequent Reset Reference Rate(s): [Mid Swaps/Reference Bond]  
 — Subsequent Reset Rate Screen Page: [[ ]/Not Applicable] *(Delete if Reference Bond selected)*  
 — Mid Swap Maturity [ ]
- (vii) Fixed Leg Swap Duration: [ ]
- (viii) Reset Margin(s): [ ]
- (ix) Reset Determination Date(s): [ ]
- (x) Subsequent Reset Rate Time: [ ]
- (xi) Relevant Financial Centre: [ ]
- (xii) Other terms relating to the method of calculating interest for Fixed Rate Reset Notes which are Exempt Notes: [None/ give details]
17. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (ii) First Interest Payment Date: [ ]
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Additional Business Centre(s): [ ] / [Not Applicable]
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/*specify other*]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ] / [Not Applicable]
- (vii) Screen Rate Determination: [Applicable/Not Applicable]

- Reference Rate and Relevant Financial Centre(s): [ ] month [LIBOR/EURIBOR/specify other Reference Rate]. (Either LIBOR, EURIBOR or other, although additional information is required if other, including fallback provisions.)  
Relevant Financial Centre: [ ]
- Interest Determination Date(s): [ ]  
(Second day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
- Relevant Screen Page: [ ]  
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)
- (viii) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ]
- Designated Maturity: [ ]
- Reset Date: [ ]
- (ix) Linear Interpolation: [Not Applicable/Applicable – the rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]
- (x) Margin(s): [+/-] [ ] per cent. per annum
- (xi) Minimum Rate of Interest: [ ] per cent. per annum
- (xii) Maximum Rate of Interest: [ ] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ISDA)]  
[Actual/Actual]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360]  
[30E/360]  
[30E/360 (ISDA)]  
[360/360]  
[Bond Basis]  
[Eurobond Basis]  
[specify other]
- (xiv) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Notes, if different from those set out in the Conditions: [ ]
18. Zero Coupon Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Accrual Yield: [ ] per cent. per annum

- (ii) Reference Price: [ ]
- (iii) Any other formula/basis of determining amount payable for Zero Coupon Notes which are Exempt Notes: [ ]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 6(e) and 6(k) apply]  
[30/360]  
[Actual/360]  
[Actual/365]  
[specify other]  
(Consider applicable day count fraction if not U.S. dollar denominated)
19. Index Linked Interest Note [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Index/Formula: [give or annex details]  
  
[Index Linked Interest Notes may include (without limitation) Notes Linked to Constant Maturity Swap rates or Notes linked to a rate of inflation]  
  
[Where the Index/Formula is a basket of underlyings, include 'Disclosure of the relevant weightings of each underlying in the basket']  
  
[Include 'Final Reference Date' and 'Exercise Price' if required]
- (ii) Calculation Agent [give name]
- (iii) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent): [ ]
- (iv) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (v) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/specify other]
- (vii) Additional Business Centre(s): [ ]
- (viii) Minimum Rate of Interest: [ ] per cent. per annum
- (ix) Maximum Rate of Interest: [ ] per cent. per annum
- (x) Day Count Fraction: [ ]
20. Dual Currency Interest Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (ii) Party, if any, responsible for calculating the principal and/or [ ]

interest due (if not the Agent):

- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: *[need to include a description of market disruption or settlement disruption events and adjustment provisions]*
- (iv) Person at whose option Specified Currency(ies) is/are payable: [ ]

## PROVISIONS RELATING TO REDEMPTION, SUBSTITUTION AND VARIATION

21. (i) Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*  
*(In the case of Dated Subordinated Notes or Loss Absorption Notes include: "Issuer Call will be subject to Condition 6(l)")*
- (ii) Optional Redemption Date(s): [ ]
- (iii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
- (iv) If redeemable in part:
- (a) Minimum Redemption Amount: [ ]
- (b) Maximum Redemption Amount: [ ]
22. Redemption following a Capital Event (Condition 6(d)): [Applicable/Not Applicable]  
*(This item may only be expressed to be Applicable if the Notes are Dated Subordinated Notes)*
- (i) Capital Event for partial exclusion: [Applicable/Not Applicable]
23. Redemption following a Tax Event (Condition 6(b)): [Applicable/Not Applicable]
24. Redemption following a Loss Absorption Disqualification Event (Condition 6(f)): [Applicable/Not Applicable]  
*(This item may only be expressed to be Applicable where the Issuer is BOIG and the Notes are Ordinary Notes. If Not Applicable, delete the remaining subparagraph of this paragraph)*
- (i) Loss Absorption Disqualification Event for partial exclusion: [Applicable/Not Applicable]
25. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
26. Final Redemption Amount: [[ ] per Calculation Amount/specify other/see Appendix]
27. Early Redemption Amount payable on redemption following a Tax Event, a Capital Event, a Loss Absorption Disqualification Event or on an event of



default:

28. Substitution and Variation (Condition 6(m)): [Applicable/Not Applicable]  
*(This item may only be specified as Applicable if the Notes are (i) Dated Subordinated Notes issued by BOI or BOIG or (ii) Ordinary Notes issued by BOIG)*

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

29. (i) Form of Notes: [Bearer Notes:]  
[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Notes either at the option of the Issuer or upon the occurrence of an Exchange Event.]  
[Temporary Bearer Global Note exchangeable for definitive Notes on and after the Exchange Date.]  
[Permanent Bearer Global Note which is exchangeable for definitive Notes either at the option of the Issuer or upon the occurrence of an Exchange Event]  
*(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Prospectus and the Notes themselves. N.B. Need to amend right to exchange for definitive Notes to disapply any Noteholder/Issuer optional exchange where Notes are expressed to have a Specified Denomination of EUR 100,000 or its equivalent and integral multiples of another smaller amount, e.g. EUR 1,000, thereafter in order for Notes to be accepted by the clearing systems. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Bearer Note exchangeable for Definitive Notes.)*  
[Registered Notes:]  
[Registered Global Note registered in the name of a nominee for a common depositary/common safekeeper for Euroclear and Clearstream, Luxembourg]
- (ii) New Global Note: [Yes][No]
30. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/[ ]]  
*(Note that this paragraph relates to the date of payment and not Interest Period end dates)*
31. Talons for future Coupons to be attached to definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made /No]
32. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment. [Not Applicable/give details. N.B. A new form of Temporary Bearer Global Note and/or Permanent Bearer Global Note or Registered Global Note may be required for Partly Paid issues]
33. Details relating to Instalment Notes: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Instalment Amount(s): [give details]

- (ii) Instalment Date(s): [give details]  
34. Other terms or special conditions: [Not Applicable/give details]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [*Relevant third party information*] has been extracted from [*specify source*]. [The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of [**The Governor and Company of the Bank of Ireland**][**Bank of Ireland Group plc**]

By: .....

*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on Global Exchange Market with effect from [ ].] / [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on [specify relevant Official List] and admitted to trading on [specify market - note this should not be a regulated market] with effect from [ ].] / [Not Applicable]

### 2. RATINGS

[Not Applicable] / [The Notes to be issued [have been/are expected to be] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].]

*(The above disclosure is only required if the ratings of the Notes are different to those stated in the Prospectus.)*

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business].

### 4. DISTRIBUTION

(i) If syndicated, names of Managers: [Not Applicable/[ ]]

(ii) Stabilising Manager(s) (if any): [Not Applicable/[ ]]

(iii) If non-syndicated, name and address of relevant Dealer: [Not Applicable/[ ]]

(iv) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]

(v) Additional selling restrictions: [Not Applicable/give details]

*(Additional selling restrictions are only likely to be relevant for certain structured Notes, such as commodity-linked Notes)*

(vi) Prohibition of Sales to European Economic Area Retail Investors: [Applicable/Not Applicable]

*(If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute “packaged” products, “Applicable” should be specified.)*

### 5. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

*[Need to insert link or give other indication of where information on past and future performance and volatility of the index/formula can be obtained.]*

[Description of the settlement procedure of derivative securities.]

[Description of how any return on derivative securities takes place, the payment or delivery date and the way it is calculated.]

*[If there is a derivative component in the interest or the securities are derivative securities, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

**6. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

*[Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]*

[Description of the settlement procedure of the derivative securities.]

[Description of how any return on derivative securities takes place, the payment or delivery date and the way it is calculated.]

*[If there is a derivative component in the interest or the securities are derivative securities, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

**7. OPERATIONAL INFORMATION**

(i) ISIN: [ ]

(ii) Common Code: [ ]

(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s) [Not Applicable/[ ]]

(iv) Delivery: Delivery [against/free of] payment

(v) Name and addresses of initial Paying Agent(s) (if any): [ ] / [Not Applicable]

(vi) Names and addresses of additional Paying Agent(s) (if any): [ ]

(vii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include this text for Registered Notes which are to be held under the NSS] 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 either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include this text for Registered Notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

(viii) Settlement Procedures: [Not Applicable] [give details]

**[APPENDIX TO THE PRICING SUPPLEMENT]**

*[Insert additional terms and conditions for Exempt Notes if needed, Index Linked Interest Notes may include (without limitation) Notes Linked to Constant Maturity Swap rates or Notes linked to a rate of inflation]*

## TERMS AND CONDITIONS OF THE NOTES

*The following (other than the text in italicised font, which is descriptive only) are the Terms and Conditions of the Notes to be issued by the relevant Issuer which (subject to completion and amendment) will be incorporated by reference into each global Note and each definitive Note if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer(s) at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (as defined below) in relation to any Tranche of Notes will complete the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each temporary global Note, permanent global Note and definitive Note. Reference should be made to “Applicable Final Terms” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by, as specified hereon, The Governor and Company of the Bank of Ireland (“**BOI**”) or Bank of Ireland Group plc (“**BOIG**”) constituted by a Trust Deed (as amended and/or supplemented and/or restated from time to time, the “**Trust Deed**”) dated 28 July 1995 made between the Issuers and The Law Debenture Trust Corporation p.l.c. (the “**Trustee**”), which expression shall include any successor as trustee). References in these Terms and Conditions to the “**Issuer**” shall mean (i) where BOI is specified in the applicable Final Terms (as defined below) as the issuer of the Notes, BOI and (ii) where BOIG is specified in the applicable Final Terms as the issuer of the Notes, BOIG.

References herein to the “**Notes**” shall be references to the Notes of this Series (as defined below) and shall mean:

- (i) in relation to any Notes represented by a global Note (a “**Global Note**”), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note (which may be in bearer form (a “**Bearer Global Note**”) or registered form (a “**Registered Global Note**”));
- (iii) any definitive Notes in bearer form (“**Bearer Notes**”) issued in exchange for a Bearer Global Note; and
- (iv) any definitive Notes in registered form (“**Registered Notes**”) (whether or not issued in exchange for a Registered Global Note).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) also have the benefit of an amended and restated Agency Agreement (as amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) dated 11 August 2017 and made among the Issuers, the Trustee, Citibank, N.A., London Branch as issuing and principal paying agent and agent bank (the “**Agent**”, which expression shall include any successor agent specified in the applicable Final Terms) and the other paying agent named therein (together with the Agent, the “**Paying Agents**”, which expression shall include any additional or successor paying agents), Citigroup Global Markets Deutschland AG as registrar (the “**Registrar**”, which expression shall include any successor registrar) and a transfer agent and the other transfer agents named therein (together with the Registrar, the “**Transfer Agents**”, which expression shall include any additional or successor transfer agents). The Agent, the Registrar, the Paying Agents and the Transfer Agents are together referred to as the “**Agents**”.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note (the “**applicable Final Terms**”) which complete these Terms and Conditions (the “**Conditions**”) and, in the case of a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive (an “**Exempt Note**”), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on this Note (the “**applicable Pricing Supplement**”) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note.

Any references in the Conditions to “**applicable Final Terms**” shall be deemed to include a reference to “**applicable Pricing Supplement**” where relevant.

Interest bearing definitive Bearer Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (“**Coupons**”) and, if indicated in the applicable Final Terms, talons for further Coupons (“**Talons**”) attached on issue. Any reference to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Exempt Notes in definitive bearer form which are repayable in instalments have receipts (“**Receipts**”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Trustee acts for the benefit of the “**Noteholders**” (which expression shall mean (in the case of Bearer Notes) the holders of the Notes, (in the case of Registered Notes) the persons in whose name the Notes are registered and, in relation to any Notes represented by a Global Note, shall be construed as provided below), the holders of the Receipts (the “**Receiptholders**”) and the holders of the Coupons (the “**Couponholders**”, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are issued by the same Issuer, (ii) are expressed to be consolidated and form a single series and (iii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed, the Agency Agreement, the form of the Final Terms and each Final Terms are available for inspection during normal business hours at the registered office of each of the Trustee (being at 11 August 2017 at Fifth Floor, 100 Wood Street, London EC2V 7EX), the Agent and the other Paying Agents save that if this Note is an Exempt Note, the applicable Pricing Supplement will only be available for inspection by a Noteholder holding one or more Notes of that Series and such Noteholder must produce evidence satisfactory to the Trustee or the relevant Paying Agent as to identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the Trust Deed, the Trust Deed will prevail and, in the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

In the Conditions, “**euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

## **1. Form, Denomination and Title**

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the “**Specified Currency**”) and the denomination (the “**Specified Denomination(s)**”) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note is an Ordinary Note or a Dated Subordinated Note, as indicated in the applicable Final Terms.

Unless this Note is an Exempt Note, this Note may be a Fixed Rate Note, a Floating Rate Note, a Fixed Rate Reset Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms and the appropriate provisions of these Terms and Conditions will apply accordingly.

If this Note is an Exempt Note, this Note may be a Fixed Rate Note, a Floating Rate Note, a Fixed Rate Reset Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement and the appropriate provisions of these Terms and Conditions will apply accordingly.

If this Note is an Exempt Note, this Note may also be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Pricing Supplement and the appropriate provisions of these Terms and Conditions will apply accordingly.

Notes in definitive bearer form are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Trustee and any Agent may to the fullest extent permitted by applicable law deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not the same are overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be deemed to be and shall be treated by the Issuer, the Trustee and any other Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note (or the Trustee in accordance with the Trust Deed) shall be treated by the Issuer, the Trustee, and any Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global Note (and the expressions “**Noteholder**”, “**holder**” (in relation to any Note) and related expressions shall be construed accordingly). Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits but not in the case of notes indicated in the applicable Final Terms as being in NGN form, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Trustee and the Agent.

## **2. Transfers of Registered Notes**

### *(a) Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note of the same series only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Trust Deed and the Agency Agreement.

### *(b) Transfers of Registered Notes in definitive form*

Subject as provided in Condition 2(c) below, upon the terms and subject to the conditions set forth in the Trust Deed and the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (A) the holder or holders must (i) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (B) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer, the Trustee and the Registrar may from time to time prescribe (the initial such regulations being set out in a Schedule to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in



definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) *Registration of transfer upon partial redemption*

In the event of a partial redemption of Notes under Condition 6, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) *Costs of registration*

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

### 3. Status of the Notes

(a) *Ordinary Notes*

The Ordinary Notes and the Receipts and Coupons relating thereto (if any) constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations other than subordinated obligations (if any) of the Issuer from time to time outstanding.

(b) *Dated Subordinated Notes\**

The Dated Subordinated Notes and the Coupons relating thereto (if any) constitute direct, unsecured and, in accordance with the paragraph immediately below, subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves.

The claims of the holders of Dated Subordinated Notes and the Coupons (if any) relating thereto (including any claims for damages in respect thereof) will, in the event of the winding-up of the Issuer, be subordinated in right of payment in the manner provided in the Trust Deed to the claims of all Senior Creditors of the Issuer but shall rank:

- (a) at least *pari passu* with the claims of holders of all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 instruments of the Issuer; and
- (b) in priority to (1) the claims of holders of all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 instruments of the Issuer, (2) the claims of holders of all undated or perpetual subordinated obligations of the Issuer (other than any such obligations which rank, or are expressed to rank, *pari passu* with, or in priority to, the Dated Subordinated Notes), (3) the claims of holders of all classes of share capital of the Issuer and (4) the claims of holders of all other obligations of the Issuer which rank, or are expressed to rank, junior to the Dated Subordinated Notes.

For the purposes of these Terms and Conditions:

“**Competent Authority**” means the European Central Bank and/or such successor or other authority having for the time being primary supervisory authority and/or responsibility with regards to prudential, conduct and/or resolution matters in respect of the Issuer and/or its group, as may be relevant in the context and circumstances;

“**CRD IV**” means, collectively, ‘Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012’ (the “**Capital Requirements Regulation**”), ‘Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC’ (the “**Capital Requirements Directive**”) and any laws or regulations of Ireland implementing or transposing any provision of the Capital Requirements Regulation or the Capital Requirements Directive, in each case as may be amended or superseded from time to time;

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\* No Dated Subordinated Notes shall be Instalment Notes

“**Regulatory Capital Requirements**” means, at any time, any requirement contained in the law, regulations, requirements, guidelines and policies relating to capital adequacy and/or prudential supervision then in effect and applicable to the Issuer, including (without limitation to the generality of the foregoing), those laws, regulations, requirements, guidelines and policies of Ireland and/or of the Competent Authority and any applicable regulation, directive or other binding rules, standards or decisions adopted by the institutions of the European Union (including, without limitation and for so long as the same continue to apply to the Issuer, CRD IV);

“**Senior Creditors**” means, in respect of the Issuer (a) creditors of the Issuer whose claims are admitted to proof in the winding-up of the Issuer and who are unsubordinated creditors of the Issuer, and (b) creditors of the Issuer whose claims are or are expressed to be subordinated to the claims of other creditors of the Issuer (other than those whose claims relate to obligations which constitute, or would, but for any applicable limitation on the amount of such capital, constitute Tier 1 instruments or Tier 2 instruments of the Issuer, or whose claims otherwise rank or are expressed to rank *pari passu* with, or junior to, the claims of holders of the Dated Subordinated Notes);

“**Tier 1 instruments**” has the meaning given to it by the Regulatory Capital Requirements from time to time; and

“**Tier 2 instruments**” has the meaning given to it by the Regulatory Capital Requirements from time to time.

(c) *Waiver of Set-off (Ordinary Notes)*

This Condition 3(c) shall apply only if “*Ordinary Notes: Waiver of Set-off*” is specified to be applicable in the applicable Final Terms and if this Note is an Ordinary Note issued by BOIG.

No holder of an Ordinary Note, or a Coupon relating thereto, may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Ordinary Notes and the Coupons relating thereto and each holder of an Ordinary Note or a Coupon relating thereto shall, by virtue of its subscription, purchase or holding of any such Ordinary Note or Coupon, be deemed to have waived all such rights of set-off. Notwithstanding the provisions of the foregoing sentence, if any of the said rights and claims of any Noteholder or Couponholder of an Ordinary Note against the Issuer is discharged by set-off, such Noteholder or Couponholder will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding-up of the Issuer, the liquidator of the Issuer and accordingly such discharge will be deemed not to have taken place, and until such payment is made shall hold an amount equal thereto in trust for the Issuer or, as the case may be, the liquidator of the Issuer.

(d) *Waiver of Set-off (Dated Subordinated Notes)*

No holder of a Dated Subordinated Note, or a Coupon relating thereto, may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Dated Subordinated Notes and the Coupons relating thereto and each holder of a Dated Subordinated Note or a Coupon relating thereto shall, by virtue of its subscription, purchase or holding of any such Dated Subordinated Note or Coupon, be deemed to have waived all such rights of set-off. Notwithstanding the provisions of the foregoing sentence, if any of the said rights and claims of any Noteholder or Couponholder of a Dated Subordinated Note against the Issuer is discharged by set-off, such Noteholder or Couponholder will immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of winding-up of the Issuer, the liquidator of the Issuer and accordingly such discharge will be deemed not to have taken place, and until such payment is made shall hold an amount equal thereto in trust for the Issuer or, as the case may be, the liquidator of the Issuer.

#### 4. Interest

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes, Fixed Rate Reset Notes, Floating Rate Notes or Zero Coupon Notes or, in the case of Exempt Notes, whether a different interest basis applies.

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, then except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Terms and Conditions, “**Fixed Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such subunit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Terms and Conditions “**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if “**Actual/Actual (ICMA)**” is specified in the applicable Final Terms:
  - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (ii) if “**30/360**” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and
- (iii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the relevant period divided by 365.

In these Terms and Conditions:

“**Determination Period**” means the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**sub-unit**” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Fixed Rate Reset Notes*

Each Fixed Rate Reset Note bears interest:

- (i) in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the Interest Commencement Date), at the rate per annum equal to the Initial Rate of Interest; and
- (ii) in respect of the Reset Period (or, if there is more than one Reset Period, each successive Reset Period thereafter), at such rate per annum as is equal to the relevant Subsequent Reset Rate, as determined by the Agent on the relevant Reset Determination Date in accordance with this Condition 4(b),

payable, in each case, in arrear on the Interest Payment Dates(s) (as specified in the Final Terms).

In these Terms and Conditions:

“**Mid Swap Benchmark Rate**” means EURIBOR if the Specified Currency is euro or the London Interbank Offered Rate (LIBOR) for the Specified Currency if the Specified Currency is not euro.

“**Mid Swap Rate**” means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (a) has a term of equal to the relevant Reset Period and commencing on the relevant Reset Date, (b) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (c) has a floating leg based on the Mid Swap Benchmark Rate for the Mid Swap Maturity (as specified in the applicable Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Agent).

“**Reference Bond**” means for any Reset Period a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer on the advice of an investment bank of international repute as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the relevant Reset Period.

“**Reference Bond Price**” means, with respect to any Reset Determination Date, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations.

“**Reference Government Bond Dealer**” means each of five banks (selected by the Issuer on the advice of an investment bank of international repute), or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues.

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Agent, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its nominal amount) at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Agent by such Reference Government Bond Dealer.

“**Reset Determination Date**” means for each Reset Period the date as specified in the Final Terms falling on or before the commencement of such Reset Period on which the rate of interest applying during such Reset Period will be determined.

“**Reset Period**” means the period from (and including) the first Reset Date to (but excluding) the Maturity Date (if any) if there is only one Reset Period or, if there is more than one Reset Period, each period from (and including) one Reset Date (or the first Reset Date) to (but excluding) the next Reset Date up to (but excluding) the Maturity Date (if any).

“**Subsequent Reset Rate**” for any Reset Period means the sum of (i) the applicable Subsequent Reset Reference Rate and (ii) the applicable Reset Margin (rounded down to four decimal places, with 0.00005 being rounded down).

“**Subsequent Reset Reference Rate**” means either:

- (A) if “Mid Swaps” is specified in the Final Terms, the Mid Swap Rate displayed on the Subsequent Reset Rate Screen Page (or such replacement page on that service which displays the information) at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date for such Reset Period; or
- (B) if “Reference Bond” is specified in the Final Terms, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the relevant Reference Bond Price.

The Agent will calculate the amount of interest (the “**Interest Amount**”) payable on the Fixed Rate Reset Notes for the relevant period by applying the Initial Rate of Interest or the applicable Subsequent Reset Rate (as the case may be) to:

- (A) in the case of Fixed Rate Reset Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Reset Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Reset Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Reset Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Reset Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“**Day Count Fraction**” and related definitions have the meanings given in Condition 4(a).

If the Subsequent Reset Rate Screen Page is not available, the Agent shall request each of the Reference Banks (as defined below) to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Subsequent Reset Reference Rate at approximately the Subsequent Reset Rate Time on the Reset Determination Date in question. If two or more of the Reference Banks provide the Agent with offered quotations, the Subsequent Reset Rate for the relevant Reset Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the applicable Reset Margin (if any), all as determined by the Agent. If on any Reset Determination Date only one of the Reference Banks provides the Agent with an offered quotation as provided in the foregoing provisions of this paragraph, the Subsequent Reset Rate shall be such offered quotation plus or minus (as appropriate) the applicable Reset Margin (if any), as determined by the Agent. If on any Reset Determination Date none of the Reference Banks provides the Agent with an offered quotation as provided in the foregoing provisions of this paragraph, the Subsequent Reset Rate shall be determined by the Agent in its sole discretion following consultation with the Issuer.

For the purposes of this Condition 4(b) “**Reference Banks**” means the principal office in the Relevant Financial Centre of four major banks in the swap, money, securities or other market most closely connected with the Subsequent Reset Reference Rate as selected by the Issuer on the advice of an investment bank of international repute.

The Agent will cause the Subsequent Reset Rate and each Interest Amount for each Reset Period to be notified to the Issuer and the Trustee and any stock exchange or other relevant authority on which the relevant Fixed Rate Reset Notes are for the time being listed or by which they have been admitted to listing and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

If for any reason at any relevant time, the Agent defaults in its obligation to determine the Subsequent Reset Rate or to calculate any Interest Amount in accordance with Condition 4(b) as described above, the Trustee shall determine the Subsequent Reset Rate at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 4(b)), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances. In making any such determination or calculation, the Trustee may (at the expense of the Issuer) appoint and rely on a determination or calculation by a calculation

agent (which shall be an investment bank or other suitable entity of international repute). Each such determination or calculation shall be deemed to have been made by the Agent.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the other Paying Agents, the Trustee and all Noteholders and (in the absence of wilful default and bad faith) no liability to the Issuer or the Noteholders or any other person shall attach to the Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Floating Rate Notes*

(i) **Interest Payment Dates**

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(c)(i)(B), the “**Floating Rate Convention**”, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the “**Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the “**Modified Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the “**Preceding Business Day Convention**”, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition, “**Business Day**” means a day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre (other than the TARGET2 System (as defined below)) specified in the applicable Final Terms; and
- (b) if the TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the “**TARGET2 System**”) is open; and

- (c) either (1) in relation to interest payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (2) in relation to interest payable in euro, a day on which the TARGET2 system is open.

*(ii) Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

*(a) ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (a), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent or other person specified in the applicable Final Terms under an interest rate swap transaction if the Agent or such other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the “**ISDA Definitions**”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is as the day specified in the applicable Final Terms.

For the purposes of this sub-paragraph (a), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Euro-zone**” and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions.

*(b) Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

The Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms.

*(iii) Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period

shall be such Minimum Rate of Interest. If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) **Determination of Rate of Interest and Calculation of Interest Amounts**

The Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent, in the case of Floating Rate Notes, will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if “**Actual/Actual (ISDA)**” or “**Actual/Actual**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “**Actual/365 (Sterling)**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;



- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30; and

- (vii) if “**30E/360 (ISDA)**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30.

(v) **Linear Interpolation**

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period, provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

“**Designated Maturity**” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vi) **Notification of Rate of Interest and Interest Amounts**

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the

relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment (or alternative arrangements) will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

*(vii) Determination or calculation by Trustee*

If for any reason at any time the Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine any Rate of Interest or the Agent defaults in its obligation to calculate any Interest Amount in accordance with this Condition 4(c), the Trustee (or an agent appointed by the Trustee at the expense of the Issuer) shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition 4(c), but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee (or an agent on its behalf) shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent or the Calculation Agent, as applicable.

*(viii) Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(c), whether by the Agent or, if applicable, the Calculation Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Agent, the Calculation Agent (if applicable), the other Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent (if applicable) or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

*(d) Exempt Notes*

In the case of Exempt Notes which are also Floating Rate Notes where the applicable Pricing Supplement identifies that Screen Rate Determination applies to the calculation of interest, if the Reference Rate from time to time is specified in the applicable Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Exempt Notes will be determined as provided in the applicable Pricing Supplement.

The rate or amount of interest payable in respect of Exempt Notes which are not also Fixed Rate Notes or Floating Rate shall be determined in the manner specified in the applicable Pricing Supplement, provided that where such Notes are Index Linked Interest Notes the provisions of Condition 4(c) shall, save to the extent amended in the applicable Pricing Supplement, apply as if the references therein to Floating Rate Notes and to the Agent were references to Index Linked Interest Notes and the Calculation Agent, respectively, and provided further that the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

*(e) Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the due date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue as provided in the Trust Deed.

## **5. Payments**

*(a) Method of Payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

*(b) Payments Subject to Fiscal and Other Laws*

Payments will be subject in all cases, to (i) any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions of Condition 7, in the place of payment, and (ii) any withholding or deduction 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 regulations thereunder or any official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof or any law implementing such an intergovernmental agreement. Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid on the Notes with respect to any such withholding or deduction.

*(c) Presentation of definitive Bearer Notes, Receipts and Coupons*

Payments of principal in respect of definitive Bearer Notes will be made in the manner provided in paragraph (a) above only against surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will be made as aforesaid only against surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) and save as provided in Condition 5(f) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Fixed Rate Reset Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not a fixed interest date or an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding fixed interest date or Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

*(d) Payments in respect of Bearer Global Notes*

Payments of principal and interest in respect of Notes represented by any Global Note in bearer form will be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner

specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by such Paying Agent or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

*(e) General provisions applicable to payments*

The holder of a Global Note (or as provided in the Trust Deed, the Trustee) shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note or the Trustee, as the case may be, in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note or the Trustee, as the case may be. No person other than the holder of such Global Note or the Trustee, as the case may be, shall have any claim against the Issuer in respect of any payments due on that Global Note.

Notwithstanding the foregoing, U.S. dollar payments of principal and interest in respect of Bearer Notes denominated and payable in U.S. dollars will be made at the specified office of a Paying Agent in the United States if:

- (i)* the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (ii)* payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii)* such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

*(f) Specific provisions in relation to payments in respect of certain types of Exempt Notes*

Payments of instalments of principal (if any) in respect of definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 5(a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 5(a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Upon the date on which any Dual Currency Note or Index Linked Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

*(g) Payments in respect of Registered Notes*

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar outside the United Kingdom (the “**Register**”):

- (i)* where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date; and

- (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date.

For these purposes, “**Designated Account**” means the account (which, in the case of a payment in Japanese yen to a non resident of Japan, shall be a non resident account) maintained by a holder with a Designated Bank and identified as such in the Register and “**Designated Bank**” means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register:

- (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date; and
- (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date,

(the “**Record Date**”). Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of Registered Notes.

None of the Issuer, the Trustee and the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

*(h) Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, (unless otherwise specified in the applicable Final Terms) “**Payment Day**” means any day which (subject to Condition 8) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) in the case of Notes in definitive form only, in the relevant place of presentation; and
  - (B) in any Additional Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (ii) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open; and
- (iii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 system is open.

*(i) Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to “**principal**” in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;

- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Exempt Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount; and
- (vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to “**interest**” in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## **6. Redemption, Purchase, Substitution and Variation**

### *(a) Redemption at Maturity*

Unless previously redeemed or purchased and cancelled as provided below, each Ordinary Note and each Dated Subordinated Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### *(b) Redemption following a Tax Event*

This Condition 6(b) shall apply if “*Redemption following a Tax Event*” is specified to be applicable in the applicable Final Terms.

The Notes may be redeemed at the option of the Issuer (in its sole discretion and subject, if this Note is a Dated Subordinated Note, to the provisions of Condition 6(l)(A) and, if this Note is a Loss Absorption Note (as defined in Condition 6(f)), to the provisions of Condition 6(l)(B)) in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days’ notice in accordance with Condition 14 (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately prior to the giving of such notice that, as a result of a Tax Law Change:

- (i) (if this Note is an Ordinary Note or a Dated Subordinated Note) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7; or
- (ii) (if this Note is a Dated Subordinated Note only) the Issuer is or will no longer be entitled to claim a deduction in computing its taxable profits and losses in respect of interest payable on the Dated Subordinated Notes, or such a deduction is or would be reduced or deferred,

(each a “**Tax Event**”) and, in either case, such consequence cannot be avoided by the Issuer taking reasonable measures available to it (such measures not involving any material additional payments by, or expense for, the Issuer), provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which:

- (A) in respect of (i) above, the Issuer would be obliged to pay such additional amounts; or
- (B) in respect of (ii) above, the payment of interest would no longer be so deductible or such deduction would be reduced or deferred,

in each case were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that (i) a Tax Event has occurred and that the relevant consequence cannot be avoided by the Issuer taking reasonable measures available to it and (ii) in the case of a Dated Subordinated Note or a Loss Absorption Note only, the applicable conditions set out in Condition 6(l) have been satisfied, and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in Condition 6(g) below together (if applicable) with unpaid interest accrued to (but excluding) the date of redemption and any interest due but unpaid.

In these Terms and Conditions, “**Tax Law Change**” means any change in, or amendment to, the laws or regulations of Ireland or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes.

(c) *Redemption at the Option of the Issuer (Issuer Call)*

This Condition 6(c) shall apply if “*Issuer Call*” is specified to be applicable in the applicable Final Terms.

The Issuer may (in its sole discretion and subject, if this Note is a Dated Subordinated Note, to the provisions of Condition 6(l)(A) and, if this Note is a Loss Absorption Note, to the provisions of Condition 6(l)(B)), having (unless otherwise specified in the applicable Final Terms) given:

- (i) not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 14; and
- (ii) prior notice to the Trustee before the giving of the notice referred to in (i);

(which notices shall be irrevocable), redeem all or some only (as specified in the applicable Final Terms) of the Notes then outstanding on any Optional Redemption Date<sup>§</sup> and at the Optional Redemption Amount(s) specified in the applicable Final Terms (the “**Optional Redemption Date**” and “**Optional Redemption Amount**”, respectively) together (if applicable) with unpaid interest accrued to (but excluding) the relevant Optional Redemption Date and any interest due but unpaid. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount.

In the case of a partial redemption of Notes, the Notes to be redeemed (“**Redeemed Notes**”) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “**Selection Date**”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this Condition 6(c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 15 days prior to the Selection Date.

(d) *Redemption following the occurrence of a Capital Event*

This Condition 6(d) shall apply if this Note is a Dated Subordinated Note and if “*Redemption following a Capital Event*” is specified to be applicable in the applicable Final Terms.

Upon the occurrence of a Capital Event, the Issuer may (in its sole discretion and subject to the provisions of Condition 6(l)(A)), having given:

- (i) not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 14; and
- (ii) prior notice to the Trustee before the giving of the notice referred to in (i);

(which notices shall be irrevocable), redeem all (but not some only) of the Notes then outstanding at any time at their Early Redemption Amount referred to in Condition 6(g) below together (if applicable) with unpaid interest accrued to (but excluding) the date of redemption and any interest due but unpaid.

For the purpose of these Terms and Conditions:

a “**Capital Event**” is deemed to occur if the Issuer, after consultation with the Competent Authority, determines that there has been a change (which has occurred or which the Competent Authority considers to be sufficiently certain) in the regulatory classification of the relevant Series of Dated Subordinated Notes, in any such case becoming effective on or after the Issue Date of the first Tranche of such Series of Dated Subordinated Notes, that results, or would be likely to result, in the entire principal amount of such Series of Dated Subordinated Notes (or, if “*Capital Event for partial exclusion*” is specified to be applicable in the applicable Final Terms, the entire principal amount of such Series of Dated Subordinated Notes or any part thereof) being excluded from the Issuer’s Tier 2 Capital, whether on a solo, consolidated or sub-consolidated basis (other than as a result of any applicable limitation on the amount of such capital); and

<sup>§</sup> In the case of Dated Subordinated Notes, the first Optional Redemption Date stated in the applicable Final Terms shall not be earlier than the fifth anniversary of the Issue Date.

“**Tier 2 Capital**” has the meaning given to it by the Regulatory Capital Requirements from time to time.

Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating (i) that a Capital Event has occurred as at the date of the certificate and (ii) that the applicable conditions set out in Condition 6(l) have been satisfied, and the Trustee shall be entitled to accept the certificate as sufficient evidence of such occurrence, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

(e) *Redemption at the Option of the Noteholders other than holders of Dated Subordinated Notes (Investor Put)*

This Condition 6(e) shall apply if this Note is an Ordinary Note and “*Investor Put*” is specified to be applicable in the applicable Final Terms. It shall not apply in respect of any Dated Subordinated Notes.

Upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days’ notice (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together (if applicable) with unpaid interest accrued to (but excluding) the Optional Redemption Date and any interest due but unpaid. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar, falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a “**Put Notice**”) and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b). If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depository or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 6(d) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 9, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6(d).

(f) *Redemption due to Loss Absorption Disqualification Event*

This Condition 6(f) shall apply if this Note is an Ordinary Note issued by BOIG and if “*Redemption following a Loss Absorption Disqualification Event*” is specified to be applicable in the applicable Final Terms.

The Notes may be redeemed at the option of the Issuer (subject to the provisions of Condition 6(l)(B)) in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note) at their Early Redemption Amount, on giving not less than 30 nor more than 60 days’ notice in accordance with Condition 14 (which notice shall be irrevocable), if the Issuer determines that a Loss Absorption Disqualification Event has occurred.

As used in these Terms and Conditions:

a “**Loss Absorption Disqualification Event**” shall be deemed to have occurred if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official



interpretation of any Loss Absorption Regulations, in any such case becoming effective on or after the Issue Date of the first Tranche of the Ordinary Notes, the Ordinary Notes are or (in the opinion of BOIG or the Competent Authority) are likely to become fully (or, if “*Loss Absorption Disqualification Event for partial exclusion*” is specified to be applicable in the applicable Final Terms, fully or partially) excluded from BOIG’s and/or the Regulatory Group’s minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to BOIG and/or the Regulatory Group and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; *provided that* a Loss Absorption Disqualification Event shall not occur where the exclusion of the Ordinary Notes from the relevant minimum requirement(s) is due to the remaining maturity of the Ordinary Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to BOIG and/or the Regulatory Group on the Issue Date of the first Tranche of the Ordinary Notes;

“**Loss Absorption Note**” means any Ordinary Note issued by BOIG where “*Redemption following a Loss Absorption Disqualification Event*” is specified to be applicable in the applicable Final Terms;

“**Loss Absorption Regulations**” means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of Ireland, the Competent Authority and/or of the European Parliament or of the Council of the European Union then in effect in Ireland and applicable to BOIG and/or the Regulatory Group including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Competent Authority from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to BOIG or to the Regulatory Group); and

“**Regulatory Group**” means BOIG, its subsidiary undertakings, participations, participating interests and any subsidiary undertakings, participations or participating interests held (directly or indirectly) by any of its subsidiary undertakings from time to time and any other undertakings from time to time consolidated with BOIG for regulatory or resolution purposes, in each case in accordance with the rules and guidance of the Competent Authority then in effect.

Prior to the publication of any notice of redemption pursuant to this Condition 6(f), the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating (i) that a Loss Absorption Disqualification Event has occurred as at the date of the certificate and (ii) that the applicable conditions set out in Condition 6(l) have been satisfied, and the Trustee shall be entitled to accept the certificate as sufficient evidence of such occurrence, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

*(g) Early Redemption Amounts*

For the purpose of Conditions 6(b), 6(d) and 6(f) above and Condition 9 (if this Note is an Ordinary Note) or Condition 10 (if this Note is a Dated Subordinated Note), the Notes will be redeemed at the Early Redemption Amount calculated by the Agent or, where a Calculation Agent is appointed in relation to a Series of Notes, the Calculation Agent as follows:

- (i) in the case of a Note (other than a Zero Coupon Note), at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their nominal amount; or
- (ii) in the case of Zero Coupon Notes, at an amount (the “**Amortised Face Amount**”) calculated in accordance with the following formula:
  - (A) the Reference Price; and
  - (B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable,

or such other amount as is provided in the applicable Final Terms, provided that in the case of any other Notes in respect of which “*Market Value less Associated Costs*” is specified as the Early Redemption Amount in the applicable Final Terms, the Early Redemption Amount in respect of each nominal amount of such Notes equal to the Calculation Amount shall be an amount determined by the Calculation Agent (or where no Calculation Agent is appointed, the Issuer), which on:

- (1) in the case of redemption other than pursuant to Condition 9 or Condition 10, the second Business Day immediately preceding the due date for the early redemption of the Notes; or
- (2) in the case of redemption pursuant to Condition 9, the due date for the early redemption of such Notes; or
- (3) in the case of redemption pursuant to Condition 10, the last day immediately preceding the date of commencement of the winding-up of the Issuer,

represents the fair market value of such Notes (taking into account all factors which the Calculation Agent (or where no Calculation Agent is appointed, the Issuer) determines relevant) less Associated Costs, and provided that no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes; and

- (iii) in the case of paragraph (ii) above, where such calculation is to be made for a period which is not a whole number of years, it shall be made (I) in the case of a Zero Coupon Note other than a Zero Coupon Note payable in euro, on the basis of a 360-day year consisting of 12 months of 30 days each or (II) in the case of a Zero Coupon Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365) or (in either case) such other calculation basis as may be specified in the applicable Final Terms.

If for any reason at any time the Agent, the Calculation Agent or, as the case may be, the Issuer defaults in its obligation to determine the Early Redemption Amount, the Trustee (or an agent appointed by the Trustee at the expense of the Issuer) shall determine the Early Redemption Amount in accordance with the above provisions and in such manner as it shall deem fair and reasonable in all the circumstances.

For the purpose of the Conditions:

“**Affiliate**” means, in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes “**control**” means ownership of a majority of the voting power of an entity;

“**Associated Costs**” means an amount per nominal amount of the Notes equal to the Calculation Amount equal to such Notes’ *pro rata* share of the total amount of any and all costs associated or incurred by the Issuer or any Affiliate in connection with such early redemption, including, without limitation, any costs associated with unwinding any funding relating to the Notes and any costs associated with unwinding any hedge positions relating to the Notes, all as determined by the Calculation Agent (or where no Calculation Agent is appointed, the Issuer) in its sole discretion.

*(h) Specific redemption provisions applicable to certain types of Exempt Notes*

The Final Redemption Amount, any Optional Redemption Amount and the Early Redemption Amount in respect of Index Linked Redemption Notes and Dual Currency Redemption Notes may be specified in, or determined in the manner specified in, the applicable Pricing Supplement. For the purposes of Condition 6(b), 6(d) and 6(f), Index Linked Interest Notes and Dual Currency Interest Notes may be redeemed only on an Interest Payment Date.

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Pricing Supplement. In the case of early redemption, the Early Redemption Amount of Instalment Notes will be determined in the manner specified in the applicable Pricing Supplement.

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

*(i) Purchases*

The Issuer or any subsidiary of the Issuer may (in its sole discretion and subject, if this Note is a Dated Subordinated Note, to the provisions of Condition 6(l)(A) and, if this Note is a Loss Absorption Note, to the provisions of Condition 6(l)(B)) at any time purchase or otherwise acquire Notes (provided that, in the case of definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) in the open market or otherwise and in any manner and at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

(j) *Cancellation*

All Notes which are redeemed or purchased as aforesaid and surrendered to a Paying Agent and/or the Registrar for cancellation will forthwith be cancelled (together with, in the case of definitive Notes, all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption) and cannot be reissued or resold.

(k) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6(a), 6(b), 6(c), 6(d), 6(e) or 6(f) above or upon its becoming due and repayable as provided in Condition 9 (if this Note is an Ordinary Note) or Condition 10 (if this Note is a Dated Subordinated Note) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6(g)(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent or the Registrar and notice to that effect has been given to the Noteholders either in accordance with Condition 14 or individually.

(l) *Conditions to Redemption, Purchase and Modification*

(A) Any redemption, purchase or modification of Dated Subordinated Notes in accordance with Conditions 6(b), 6(c), 6(d), 6(i) or 15, as the case may be, is subject to:

- (1) in respect of any redemption or purchase, the Issuer giving notice to the Competent Authority and the Competent Authority granting permission to redeem or purchase the relevant Dated Subordinated Notes (in each case to the extent, and in the manner, required by the Competent Authority or the Regulatory Capital Requirements);
- (2) in respect of any redemption of the relevant Dated Subordinated Notes proposed to be made prior to the fifth anniversary of the Issue Date, if and to the extent then required under the Regulatory Capital Requirements:
  - (a) in the case of redemption following a Tax Event pursuant to Condition 6(b), the Issuer having demonstrated to the satisfaction of the Competent Authority that the relevant change or event is material and was not reasonably foreseeable as at the Issue Date; or
  - (b) in the case of redemption following a Capital Event pursuant to Condition 6(d), the Issuer having demonstrated to the satisfaction of the Competent Authority that the relevant change is sufficiently certain and was not reasonably foreseeable as at the Issue Date; and
- (3) in respect of any such modification, the Issuer giving notice of such modification to the Competent Authority and the Competent Authority not objecting to such modification (if and to the extent, and in the manner, required by the Competent Authority or the Regulatory Capital Requirements),

provided that if, at the time of any such redemption, purchase or modification, the Competent Authority or the Regulatory Capital Requirements permit a redemption, purchase or modification only after compliance with one or more additional or alternative preconditions to those set out above in this Condition 6(l)(A), the Issuer shall comply (in addition or in the alternative, as the case may be) with such additional and/or alternative precondition(s).

(B) Any redemption, purchase or modification of any Loss Absorption Note in accordance with Conditions 6(b), 6(c), 6(f), 6(i) or 15, as the case may be, is subject to:

- (1) BOIG giving notice to the Competent Authority and the Competent Authority granting permission to redeem, purchase or modify the relevant Loss Absorption Notes (in each case to the extent, and in the manner, required by the Competent Authority or the Regulatory Capital Requirements or Loss Absorption Regulations); and

- (2) compliance with any other pre-conditions to such redemption, purchase or modification as may be required by the Competent Authority or the Regulatory Capital Requirements or Loss Absorption Regulations at such time.

(m) *Substitution and Variation*

This Condition 6(m) applies only if (1) this Note is a Dated Subordinated Note (whether issued by BOI or BOIG) or an Ordinary Note issued by BOIG and (2) “*Substitution and Variation*” is specified to be applicable in the applicable Final Terms.

(i) *Substitution and Variation in respect of Dated Subordinated Notes*

Upon the occurrence of a Capital Event, the Issuer (in its sole discretion but subject to the provisions of Condition 6(m)(iii)), having given:

- (A) not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 14; and
- (B) prior notice to the Trustee before the giving of the notice referred to in (A) and having delivered to the Trustee the certificate referred to in the definition of Tier 2 Compliant Notes;

(which notices shall be irrevocable), may, without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the relevant Dated Subordinated Notes for, or vary the terms of the relevant Dated Subordinated Notes so that they remain or, as appropriate, become, Tier 2 Compliant Notes. Upon the expiry of the notice referred to above, the Issuer shall either vary the terms of or, as the case may be, substitute the Dated Subordinated Notes in accordance with this Condition 6(m)(i) and, subject as set out in Conditions 6(m)(iii) and (iv), the Trustee shall agree to such substitution or variation.

In these Terms and Conditions:

“**EEA regulated market**” means a market as defined by Article 4.1(14) of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, as amended;

“**Rating Agency**” means each of Standard & Poor’s Credit Market Services Europe Limited, Moody’s Investors Services Limited, Fitch Ratings Limited and DBRS Ratings Limited and each of their respective affiliates or successors; and

“**Tier 2 Compliant Notes**” means securities that comply with the following (which compliance has been certified to the Trustee in a certificate signed by two Directors of the Issuer and delivered to the Trustee prior to the issue of the relevant securities):

- (a) are issued by the Issuer of the relevant Dated Subordinated Notes or any wholly-owned direct or indirect subsidiary of that Issuer with a subordinated guarantee of such obligations by that Issuer;
- (b) rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) equally with the ranking of the relevant Dated Subordinated Notes;
- (c) have terms not materially less favourable to Noteholders than the terms of the relevant Dated Subordinated Notes (as reasonably determined by the Issuer in consultation with an independent adviser of recognised standing);
- (d) (without prejudice to (c) above) (1) contain terms such that they comply with the then Regulatory Capital Requirements in relation to Tier 2 Capital; (2) bear the same rate of interest from time to time applying to the relevant Dated Subordinated Notes and preserve the same Interest Payment Dates; (3) do not contain terms providing for mandatory deferral of payments of interest and/or principal; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Dated Subordinated Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (but without prejudice to any acknowledgement of statutory resolution powers substantially similar to Condition 18(c)); and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant Dated Subordinated Notes which has accrued to Noteholders and not been paid;
- (e) are listed on the same stock exchange or market as the relevant Dated Subordinated Notes or the London Stock Exchange or another EEA regulated market selected by the Issuer and approved in writing by the Trustee; and

- (f) where the relevant Dated Subordinated Notes which have been substituted or varied had a published rating solicited by the Issuer from one or more Rating Agencies immediately prior to their substitution or variation, benefit from (or will, as announced by each such Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the relevant Dated Subordinated Notes.

*(ii) Substitution and Variation in respect of Ordinary Notes issued by BOIG*

Upon the occurrence of a Loss Absorption Disqualification Event, BOIG (in its sole discretion but subject to the provisions of Condition 6(m)(iii)), having given:

- (A) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (B) prior notice to the Trustee before the giving of the notice referred to in (A) and having delivered to the Trustee the certificate referred to in the definition of Loss Absorption Compliant Notes;

(which notices shall be irrevocable), may, without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the Ordinary Notes for, or vary the terms of the Ordinary Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes. Upon the expiry of the notice referred to above, BOIG shall either vary the terms of or, as the case may be, substitute the Ordinary Notes in accordance with this Condition 6(m)(ii) and, subject as set out in Conditions 6(m)(iii) and (iv), the Trustee shall agree to such substitution or variation.

In these Terms and Conditions, "**Loss Absorption Compliant Notes**" means securities that comply with the following (which compliance has been certified to the Trustee in a certificate signed by two Directors of BOIG and delivered to the Trustee prior to the issue of the relevant securities):

- (a) are issued by BOIG or any wholly-owned direct or indirect subsidiary of BOIG with a guarantee of such obligations by BOIG;
- (b) rank (or, if guaranteed by BOIG, benefit from a guarantee that ranks) equally with the ranking of the relevant Ordinary Notes;
- (c) have terms not materially less favourable to Noteholders than the terms of the relevant Ordinary Notes (as reasonably determined by BOIG in consultation with an independent adviser of recognised standing);
- (d) (without prejudice to (c) above) (1) contain terms such that they comply with the then applicable Loss Absorption Regulations in order to be eligible to qualify in full towards BOIG's and/or the Regulatory Group's minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments; (2) bear the same rate of interest from time to time applying to the relevant Ordinary Notes and preserve the same Interest Payment Dates; (3) do not contain terms providing for mandatory deferral of payments of interest and/or principal; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Ordinary Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (but without prejudice to any acknowledgement of statutory resolution powers substantially similar to Condition 18(c)); and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant Ordinary Notes which has accrued to Noteholders and not been paid;
- (e) are listed on the same stock exchange or market as the relevant Ordinary Notes or the London Stock Exchange or another EEA regulated market selected by BOIG and approved in writing by the Trustee; and
- (f) where the relevant Ordinary Notes which have been substituted or varied had a published rating solicited by BOIG from one or more Rating Agencies immediately prior to their substitution or variation, benefit from (or will, as announced by each such Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the relevant Ordinary Notes.

*(iii) Conditions to Substitution and Variation*

In connection with any substitution or variation in accordance with this Condition 6(m), the relevant Issuer shall comply with the rules of any stock exchange on which such Notes are for the time being listed or admitted to trading.

Any substitution or variation in accordance with this Condition 6(m) is also subject to the following conditions:

- (A) the relevant Issuer shall have obtained the permission from the Competent Authority (if then required by the Competent Authority or by the Regulatory Capital Requirements or, as the case may be, Loss Absorption Regulations at such time);
- (B) such substitution or variation must be permitted by, and conducted in accordance with, any other applicable requirement of the Competent Authority or under the Regulatory Capital Requirements or, as the case may be, Loss Absorption Regulations at such time;
- (C) such substitution or variation shall not result in any event or circumstance which at or around that time gives the relevant Issuer a redemption right in respect of the Notes; and
- (D) prior to the publication of any notice of substitution or variation pursuant to this Condition 6(m), the relevant Issuer shall have delivered to the Trustee a certificate signed by two Directors of the relevant Issuer stating that the Capital Event or, as the case may be, Loss Absorption Disqualification Event giving rise to the right to substitute or vary the Notes has occurred as at the date of the certificate and that all conditions set out in (A), (B) and (C) above have been satisfied and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence thereof, in which event it shall be conclusive and binding on the Trustee, the Receiptholders, the Couponholders and the Noteholders.

*(iv) Role of the Trustee in Substitution and Variation*

- (A) The Trustee shall, subject to the relevant Issuer's compliance with Condition 6(m)(iii) and the provision of the certificates signed by two Directors of the Issuer in the definition of Tier 2 Compliant Notes and/or Loss Absorption Compliant Notes and at the expense and cost of the Issuer, use reasonable endeavours to assist the Issuer in any substitution or variation of Notes pursuant to this Condition 6(m), except that the Trustee shall not be obliged to assist in any such substitution or variation if either such substitution or variation itself or the terms of the proposed Tier 2 Compliant Notes or, as the case may be, Loss Absorption Compliant Notes would impose, in the Trustee's opinion, more onerous obligations upon it or require the Trustee to incur any liability for which it is not indemnified and/or secured and/or pre-funded to its satisfaction.
- (B) In connection with any substitution or variation of Notes pursuant to this Condition 6(m), the Trustee may rely without liability to Noteholders, Receiptholders or Couponholders on a report, confirmation, certificate or any advice of any accountants, financial advisers, financial institutions or any other experts, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate or advice and such report, confirmation, certificate or advice shall be binding on the relevant Issuer, the Trustee, the Noteholders, the Receiptholders and the Couponholders.

## **7. Taxation**

All payments of principal and/or interest in respect of the Notes, Receipts and Coupons shall be made without withholding and/or deduction for or on account of any present or future tax, duty or charge of whatsoever nature imposed or levied by or on behalf of Ireland, or any political subdivision or any authority thereof or therein having power to tax, unless such withholding and/or deduction is required by law. In that event, the Issuer will account to the relevant authorities for the amount required to be withheld or deducted and will (a) in the case of Ordinary Notes, in respect of payments of interest (if any) or principal, or (b) in the case of Dated Subordinated Notes, in respect of payments of interest (if any) only, pay such additional amounts as will result (after such withholding and/or deduction) in the receipt by the holders of the Notes, Receipts or Coupons of such sums which would have been receivable (in the absence of such withholding and/or deduction) from it in respect of their Notes and/or, as the case may be, Receipts or Coupons, except that no such additional amounts shall be payable in respect of any Note, Receipt or Coupon:

- (i) to, or to a third party on behalf of, a Noteholder, Receiptholder or Couponholder who is liable to any such tax, duty or charge in respect of such Note, Receipt or Coupon by reason of having some connection with Ireland other than the mere holding or ownership of such Note, Receipt or Coupon; and/or

- (ii) presented for payment (where presentation is required under these Terms and Conditions) at any specified office in Ireland of a Paying Agent by or on behalf of a holder who, at the time of such presentation, is eligible to receive the relevant payment without withholding or deduction for or on account of any such tax, duty or charge (under then current Irish law and practice) but fails to fulfil any legal requirement necessary to establish such eligibility; and/or
- (iii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days (assuming, whether or not such is in fact the case, such last day to be a Payment Day).

In no event will additional amounts be payable under this Condition 7 or otherwise in respect of any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or any official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof or any law implementing such an intergovernmental agreement.

For the avoidance of doubt, if this Note is a Dated Subordinated Note, the Issuer will not pay any additional amounts under this Condition 7 in respect of principal of this Note.

As used herein, the “**Relevant Date**” in respect of any payment means the date on which such payment first becomes due, or, if the full amount of the moneys payable has not been duly received by the Agent or the Registrar, as the case may be, or the Trustee on or prior to such due date, the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

## 8. Prescription

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon, any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

## 9. Events of Default for, and Enforcement of, Ordinary Notes

This Condition 9 shall apply only in respect of Ordinary Notes.

### (a) *Non-restricted Events of Default*

This Condition 9(a) shall apply unless this Ordinary Note is issued by BOIG and “*Ordinary Notes: Restricted Events of Default*” is specified to be applicable in the applicable Final Terms (in which case Condition 9(b) shall apply instead).

If this Condition 9(a) applies, then the Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount as defined in Condition 6(f), together with accrued and unpaid interest as provided in the Trust Deed, if any of the following events (“**Events of Default**”) shall have occurred and be continuing:

- (i) default is made for more than 15 days (in the case of the payment of interest) or more than seven days (in the case of the payment of principal or in respect of any delivery) in the payment of any amount in respect of any of the Notes (in each case whether at maturity or upon redemption or otherwise) when and as the same falls due to be paid in accordance with these Terms and Conditions; or
- (ii) default is made by the Issuer in the performance or observance of any obligation, condition or provision under the Notes or the Trust Deed (other than any obligation for the payment of any amount due in respect of any of the Notes) and (except in any case where the Trustee considers the failure to be incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) such default continues for a period of 60 days (or such longer period as the Trustee

may permit) after written notification requiring such default to be remedied has been given to the Issuer by the Trustee; or

- (iii) an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer except for the purposes of or pursuant to a reconstruction or amalgamation the terms of which have previously been approved in writing by the Trustee or by an Extraordinary Resolution of Noteholders; or
- (iv) the Issuer (a) stops payment (within the meaning of any applicable bankruptcy law) or (b) (otherwise than for the purposes of such a reconstruction or amalgamation as is referred to in Condition 9(a)(iii)) ceases or through an official action of the Court of Directors or other governing entity of the Issuer threatens to cease to carry on all or substantially all of its business or is unable to pay its debts as and when they fall due (within the meaning of section 345 of the Companies Act 1963 of Ireland (as amended)); or
- (v) the Issuer or any third party files an application under any applicable bankruptcy, reorganisation, composition or insolvency law against the Issuer and, in the case of an application by a third party the application is not dismissed within 30 days or the Issuer makes a conveyance or assignment for the benefit of, or enters into any composition with, its creditors in general; or
- (vi) a receiver, examiner or other similar official is appointed in relation to the Issuer or in relation to the whole or a material part of the assets of the Issuer, or the protection of the court is granted to the Issuer, or an encumbrancer takes possession of the whole or a material part of the assets of the Issuer, or a distress or execution or other process is levied or enforced upon or sued out against the whole or a material part of the assets of the Issuer in respect of a debt of more than €10,000,000 (or its equivalent in another currency) and, in any of the foregoing cases, is not discharged within 30 days,

provided that, in the case of any Event of Default other than those described in Conditions 9(a)(i) and 9(a)(iii) above, the Trustee shall have certified to the Issuer that the Event of Default is, in its opinion, materially prejudicial to the interests of the Noteholders.

The Trustee may at its discretion and without further notice take such proceedings against the Issuer as it may think fit to enforce the obligations of the Issuer under the Trust Deed and the Notes, Receipts and Coupons, but it shall not be bound to take any such proceedings or any other action unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by holders of at least one-fifth in nominal amount of the Notes outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to do, fails to do so within a reasonable period and such failure is continuing.

*(b) Restricted Events of Default*

This Condition 9(b) shall apply only if this Ordinary Note is issued by BOIG and “*Ordinary Notes: Restricted Events of Default*” is specified to be applicable in the applicable Final Terms.

If this Condition 9(b) applies, then:

- (A) If default is made in the payment of any principal or interest due in respect of the Notes and such default continues for a period of 15 days after the due date for the same or, as the case may be, after any other date upon which the payment of interest is compulsory, the Trustee may, subject as provided below, at its discretion and without further notice, institute proceedings for the winding up of the Issuer in Ireland (but not elsewhere), but (save as provided in Condition 9(b)(B) below) may take no further action in respect of such default.
- (B) If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding up of the Issuer, the Trustee may, subject as provided below, at its discretion, give notice to the Issuer that the Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their Early Redemption Amount as defined in Condition 6(f), plus accrued and unpaid interest as provided in the Trust Deed and together with any damages awarded in respect thereof.
- (C) Without prejudice to Conditions 9(b)(A) and 9(b)(B) above, the Trustee may, subject as provided below, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Notes, the Coupons or the Trust Deed (other than any obligation for the payment of any principal or interest



in respect of the Notes or any damages awarded in respect thereof), provided that the Issuer shall not as a consequence of such proceedings be obliged to pay any sum or sums representing or measured by reference to principal or interest in respect of the Notes sooner than the same would otherwise have been payable by it, or any damages awarded in respect of the Notes.

- (D) The Trustee shall be bound to take action as referred to in Conditions 9(b)(A), 9(b)(B) and 9(b)(C) if (i) it shall have been so requested in writing by Noteholders holding at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.
- (E) No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer pursuant to this Condition 9(b) unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing (and in such case the Noteholder or Couponholder may only take such steps as are available to the Trustee). No Noteholder or Couponholder shall be entitled either to institute proceedings in Ireland (or elsewhere) for the winding up of the Issuer or to submit a claim in such winding-up, except that if the Trustee, having become bound to institute such proceedings as aforesaid, fails to do so, or, being able and bound to submit a claim in such winding-up, fails to do so, in each case within a reasonable period and such failure is continuing, then any such holder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), itself institute proceedings for the winding up of the Issuer in Ireland (but not elsewhere) and/or submit a claim in such winding-up to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so.

#### **10. Events of Default for, and Enforcement of, Dated Subordinated Notes**

This Condition 10 shall apply only in respect of Dated Subordinated Notes.

- (A) If default is made in the payment of any principal or interest due in respect of the Notes and such default continues for a period of 15 days after the due date for the same or, as the case may be, after any other date upon which the payment of interest is compulsory, the Trustee may, subject as provided below, at its discretion and without further notice, institute proceedings for the winding up of the Issuer in Ireland (but not elsewhere), but (save as provided in Condition 10(B) below) may take no further action in respect of such default.
- (B) If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding up of the Issuer, the Trustee may, subject as provided below, at its discretion, give notice to the Issuer that Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their Early Redemption Amount as defined in Condition 6(f), plus accrued and unpaid interest as provided in the Trust Deed and together with any damages awarded in respect thereof.
- (C) Without prejudice to Conditions 10(A) and 10(B) above, the Trustee may, subject as provided below, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Notes, the Coupons or the Trust Deed (other than any obligation for the payment of any principal or interest in respect of the Notes or any damages awarded in respect thereof), provided that the Issuer shall not as a consequence of such proceedings be obliged to pay any sum or sums representing or measured by reference to principal or interest in respect of the Notes sooner than the same would otherwise have been payable by it, or any damages awarded in respect of the Notes.
- (D) The Trustee shall be bound to take action as referred to in Conditions 10(A), 10(B) and 10(C) above if (i) it shall have been so requested in writing by Noteholders holding at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.
- (E) No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer pursuant to this Condition 10 unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing (and in such case the Noteholder or Couponholder may only take such steps as are available to the Trustee). No Noteholder or Couponholder shall be entitled either to institute proceedings in Ireland (or elsewhere) for the winding up of the Issuer or to

submit a claim in such winding-up, except that if the Trustee, having become bound to institute such proceedings as aforesaid, fails to do so, or, being able and bound to submit a claim in such winding-up, fails to do so, in each case within a reasonable period and such failure is continuing, then any such holder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), itself institute proceedings for the winding up of the Issuer in Ireland (but not elsewhere) and/or submit a claim in such winding-up to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so.

## **11. Replacement of Notes, Receipts, Coupons and Talons**

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may, subject to all applicable laws and stock exchange requirements, be replaced at the specified office of the Agent (in the case of Bearer Notes, Receipts or Coupons) or the Registrar (in the case of Registered Notes), or any other place approved by the Trustee of which notice shall have been published in accordance with Condition 14, upon payment by the claimant of such costs, expenses, taxes and duties as may be incurred in connection therewith and on such terms as to evidence, security and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

## **12. Agent and Paying Agents**

### *(a) Paying Agents*

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i)* so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority or authorities);
- (ii)* there will at all times be an Agent and a Registrar; and
- (iii)* there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 5(e). Notice of any variation, termination, appointment or change in the Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 14.

### *(b) Calculation Agent*

In relation to each issue of Notes, the Calculation Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Noteholders, the Receiptholders or Couponholders. All calculations and determinations made in respect of the Notes by the Calculation Agent shall be in its sole and absolute discretion, in good faith, and shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Agents and the Noteholders, the Receiptholders or Couponholders. The Calculation Agent shall promptly notify the Issuer and the Agent upon any such calculations and determinations, and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer, the Agents, the Noteholders, the Receiptholders or the Couponholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

## **13. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent outside the United States in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

#### **14. Notices**

All notices regarding the Bearer Notes will be valid (in respect of any Bearer Notes listed in the Official List of the Irish Stock Exchange) if an announcement is released by the Issuer through the companies announcement office of the Irish Stock Exchange. Any such notice will be deemed to have been given on the date of release by the Irish Stock Exchange. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange (or any other relevant authority) on which the Bearer Notes are for the time being listed or by which they have been admitted to listing.

All notices regarding Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

Notwithstanding the foregoing provisions of this Condition 14, until such time as any definitive Notes are issued (and provided that, in the case of Notes listed on a stock exchange, the rules of that stock exchange or other relevant authority so permit), so long as the Global Note(s) is or are held in its/their entirety on behalf of Euroclear and Clearstream, Luxembourg, the Issuer may, in lieu of notice as aforesaid, give notice by the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which the said notice was given to Euroclear and Clearstream, Luxembourg.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent or the Registrar via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### **15. Meetings of Noteholders, Extraordinary Resolutions, Modification and Waiver**

Any modification, waiver, authorisation or substitution pursuant to this Condition 15 shall be binding on the Noteholders, Receiptholders and Couponholders and, unless, in the case of a modification, the Trustee agrees otherwise, any such modification or substitution shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 14.

##### *(a) Meetings of Noteholders and Extraordinary Resolutions*

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including modification by an Extraordinary Resolution of the Notes, the Receipts, the Coupons or the Trust Deed, provided that the modification of certain provisions of the Notes, Receipts or Coupons (concerning *inter alia* the date of maturity of the Notes or any date for payment of interest thereof, the amount of principal or the rate of interest payable in respect of the Notes, the currency of payment of the Notes, Receipts or Coupons or the status and, if applicable, subordination of the Notes or certain provisions of the Trust Deed) may only be made at a meeting at which the necessary quorum will be one or more persons holding or representing not less than a clear majority in nominal amount of the Notes for the time being outstanding. At any adjourned meeting, one or more persons present whatever the nominal amount of the Notes held or represented by him or them will form a quorum, except that at any adjourned meeting for the transaction of business comprising any of the aforementioned modification of provisions, the necessary quorum will be one or

more persons present holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding.

An Extraordinary Resolution may also be passed by the Noteholders by way of:

- (i) a resolution in writing signed by or on behalf of the holders of not less than three-quarters in nominal amount of the Notes for the time being outstanding; or
- (ii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-quarters in nominal amount of the Notes for the time being outstanding.

An Extraordinary Resolution (whether passed at any meeting of the Noteholders or by way of written resolution or electronic consents) shall be binding on all the Noteholders, whether present or not at the relevant meeting and/or whether or not voting on (or voting in favour of) the relevant Extraordinary Resolution, and on all Receiptholders and Couponholders.

*(b) Modification*

- (i) The Trust Deed provides that the Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any modification (subject to certain exceptions), or to any waiver or authorisation of any breach or proposed breach, of any of these Terms and Conditions or any provision of the Trust Deed or the Notes, Receipts or Coupons which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders.
- (ii) The Trustee may also agree without such consent to any modification of any of these Terms and Conditions or any provision of the Trust Deed or the Notes, Receipts or Coupons which is made to correct a manifest error or which is of a formal, minor or technical nature.

*(c) Substitution*

The Trustee may also agree without the consent of Noteholders, Receiptholders or Couponholders to the substitution at any time or times of a successor company (as defined in the Trust Deed), or any other company which controls, or is under the control of, the Issuer or such successor company, as the principal debtor under the Trust Deed, the Notes, the Receipts and the Coupons. Such agreement shall also be subject to the relevant provisions of the Trust Deed, including (in the case of the substitution of any company other than such a successor company), unless the Trustee shall agree otherwise, the irrevocable and unconditional guarantee, in a form satisfactory to the Trustee (in respect of the Dated Subordinated Notes only, on a subordinated basis equivalent to that mentioned in Condition 3(b)), of the Notes, the Receipts and the Coupons by the Issuer or such successor company.

In connection with the exercise by it of any of its trusts, powers, authorities or discretions (including, but without limitation, any modification, waiver, authorisation or substitution), the Trustee shall have regard to the interests of the Noteholders as a class and, in particular, but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders, Receiptholders and Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 7 and/or any undertaking given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

*(d) Regulatory consent*

If this Note is a Dated Subordinated Note or a Loss Absorption Note, any modification or substitution pursuant to this Condition 15 is subject to Condition 6(I)(A) or 6(I)(B), as applicable.

**16. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the Issue Date, nominal amount, Interest Commencement Date, date of the first payment of interest thereon and/or Issue Price and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## 17. Indemnification etc.

The Trust Deed contains provisions governing the responsibility of the Trustee and providing for its indemnification in certain circumstances including provisions relieving it, unless indemnified and/or secured and/or prefunded to its satisfaction, from taking proceedings to enforce repayment. The Trustee shall be entitled to enter into business transactions with the Issuer and/or any subsidiary of the Issuer without accounting for any profit resulting therefrom.

The Trustee shall not be liable for any consequences of any application of Irish Statutory Loss Absorption Powers (as provided in Condition 18(c) below) in respect of the Issuer or any of its affiliates or any Notes and shall not be required to take any action in connection therewith that would, in the Trustee's opinion, expose the Trustee to any liability or expense unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction; provided that nothing in this paragraph shall prevent any application of Irish Statutory Loss Absorption Powers in respect of the Issuer or any of its affiliates or any Notes from taking effect, and each Noteholder, Couponholder or Receiptholder, by its acquisition of any Note, Coupon or Receipt, authorises and instructs the Trustee to take such steps as may be necessary or expedient in order to give effect to any such application of Irish Statutory Loss Absorption Powers.

## 18. Governing Law, Submission to Jurisdiction and Acknowledgement of Irish Statutory Resolution Powers

### (a) *Governing Law*

The Trust Deed, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with English law except that Conditions 3(b), 3(c) and 3(d) and the provisions of the Trust Deed relating to the postponement of the claims of the holders of Dated Subordinated Notes and the relative Coupons on a winding-up of the Issuer shall be governed by and construed in accordance with the laws of Ireland.

### (b) *Submission to Jurisdiction*

The Issuer has in the Trust Deed irrevocably agreed for the benefit of the Trustee, the Noteholders, the Receiptholders and the Couponholders that (subject as provided below) the courts of England are to have jurisdiction to settle any disputes (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes, the Receipts and/or the Coupons) which may arise out of or in connection with the Trust Deed, the Notes, the Receipts and/or the Coupons and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as "**Proceedings**") may be brought in such courts.

The Issuer has in the Trust Deed irrevocably and unconditionally waived and agreed not to raise any objection which it may have now or hereafter to the laying of the venue of any Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and has further irrevocably and unconditionally agreed that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon the Issuer and may be enforced in the courts of any other jurisdiction. Nothing contained in this Condition shall limit any right (to the extent allowed by law) to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

### (c) *Acknowledgement of Irish Statutory Resolution Powers*

Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and the Trustee or any Noteholder, Couponholder or Receiptholder, the Trustee and, by its acquisition of any Note, Coupon or Receipt, each Noteholder, Couponholder and Receiptholder acknowledges and accepts that any liability arising under the Notes, Coupons or Receipts may be subject to the exercise of Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

- (i) the effect of the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:
  - (A) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes, Coupons and/or Receipts;

- (B) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes, Coupons and/or Receipts into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder, Couponholder or Receiptholder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes, Coupons and/or Receipts;
  - (C) the cancellation of the Notes, Coupons and/or Receipts or the Relevant Amounts in respect thereof; and
  - (D) the amendment or alteration of the Maturity Date of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and
- (ii) the variation of the terms of the Notes, Coupons and/or Receipts as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority.

In these Terms and Conditions:

“**Irish Statutory Loss Absorption Powers**” means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Ireland, relating to (i) the transposition into Irish law of Directive 2014/59/EU as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period);

“**Relevant Amounts**” means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and additional amounts and any other amounts due on or in respect of the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority; and

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Irish Statutory Loss Absorption Powers in relation to the Issuer (being, as at the Issue Date, the Single Resolution Board).

*See the risk factor entitled “The Council of the European Union has adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions, investment firms, certain financial institutions and certain holding companies (each a “relevant entity”) considered to be at risk of failing” for further information.*

(d) *Process agent*

The Issuer has in the Trust Deed appointed General Counsel, Bank of Ireland (UK) plc, Bow Bells House, Bread Street, London EC4M 9BE as its agent to accept on its behalf service of process in England in connection with any Proceedings, and has undertaken that, in the event of such person ceasing so to act, it will appoint such other person as the Trustee may approve as its agent for that purpose. The Issuer has also agreed in the Trust Deed to procure that, so long as any of the Notes remains outstanding, there shall be in force an appointment of such a person approved by the Trustee with an office in London with authority to accept service as aforesaid. Nothing herein shall affect the right to serve process in any other manner permitted by law.

## 19. Third Party Rights

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be used by the relevant Issuer to support the business of the Group. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## DESCRIPTION OF BOIG AND THE GROUP

### General

The Group announced on 31 March 2017 that it intended to implement a corporate reorganisation which would result in BOIG being introduced as the listed holding company of the Group. The reorganisation was approved by the ordinary stockholders of BOI at an Extraordinary General Meeting held on 28 April 2017. Following approval of the High Court, the reorganisation was implemented by a scheme of arrangement under the Companies Act (the “**Scheme**”). The Scheme became effective on 7 July 2017, with the result that BOIG is, as at the date of the Prospectus, the 100 per cent. owner of the ordinary stock in BOI. On 10 July 2017, ordinary shares in BOIG (the “**BOIG Shares**”) were admitted to the primary listing segment of the Official List of the Irish Stock Exchange and to the premium listing segment of the Official List of the FCA and to trading on the Irish Stock Exchange’s Main Securities Market and the London Stock Exchange’s main market for listed securities. A stock consolidation was implemented as part of the Scheme with ordinary stockholders receiving one BOIG Share for every 30 units of ordinary stock in BOI. Ordinary stockholders’ ownership in the Group has not changed under the reorganisation (subject only to rounding up for fractional entitlements, which arose pursuant to the stock consolidation).

BOIG was incorporated as Adjigo plc in Ireland as a public limited company on 28 November 2016 with registered number 593672, its registered office is situated at 40 Mespil Road, Dublin 4, Ireland and it is domiciled in Ireland. BOIG’s telephone number is +353 1 661 5933. On 31 March 2017, Adjigo plc changed its name to Bank of Ireland Group plc. The principal legislation under which BOIG operates is the Companies Act.

BOIG is a non-operating holding company and is the ultimate parent of the BOIG Group, which includes a number of companies operating in the financial services sector. BOIG carries on all of its trading activities through BOI and other members of the BOI Group. Accordingly, save for the issuance and management of certain capital instruments by BOIG, the business of the BOIG Group and the BOI Group are, at the date of this Prospectus, substantively similar in all material respects. See “*Description of BOI*” for further details.

As BOIG is a non-operating holding company and conducts substantially all of its operations through its direct subsidiary (BOI) and its indirect subsidiaries, and it depends largely upon the receipt of dividends, distributions, loans or advances from such subsidiaries.

### Board of Directors

The business address of the Board of Directors of BOIG (the “**Board**”) is Bank of Ireland Group plc, 40 Mespil Road, Dublin 4, Ireland.

| <i>Name</i>                 | <i>Current position</i>                           | <i>Principal Outside Activities</i>   |
|-----------------------------|---|---|
| Archie G. Kane              | Chairman  | Non-executive Director of Melrose plc, where he is a member of the Audit Committee, the Remuneration Committee and the Nominations Committee. Trustee of the Stratford Literary Festival.   |
| Richie Boucher <sup>3</sup> | Group Chief Executive Officer; Executive Director | Non-executive Director of Eurobank Ergasias S.A. and Director of IBEC CLG.  |
| Kent Atkinson*              | Non-Executive Director                            | None.   |
| Pat Butler                  | Non-Executive Director                            | Non-executive Director of Hikma Pharmaceuticals plc, where he is Chairman of the Audit Committee and a member of the Nomination and Compliance, Responsibility and Ethics Committees. Director of Towergate Insurance Group and Chairman of the Risk Committee. Governor of the British Film Institute. |

<sup>3</sup> On 17 May 2017, BOI announced the appointment of Ms Francesca McDonagh as Group Chief Executive Officer (CEO) to succeed Richie Boucher who steps down later this year. Ms McDonagh will also take up the position of Executive Director on the Board on 2 October 2017.



|                    |  |   |
|--------------------|--|---|
|                    |  | Non-executive Director of The Resolution Foundation and Res Media Limited. Partner of the Resolution Group.   |
| Tom Considine*     | Non-Executive Director                                 | None.   |
| Richard Goulding   | Non-Executive Director                                 | Non-executive Director of Citigroup Global Markets Limited, where he is Chair of the Board Risk Committee and is a member of the Audit and Remuneration & Nomination Committees.        |
| Patrick Haren*     | Senior Independent Director;<br>Non-executive Director | Advisory role to Green Sword Environmental Ltd.   |
| Andrew Keating     | Group Chief Financial Officer;<br>Executive Director   | Non-executive Director of Irish Management Institute CLG.   |
| Patrick Kennedy*   | Deputy Chairman; Non-Executive Director                | Chairman of Cartrawler.   |
| Davida Marston*    | Non-Executive Director                                 | Non-executive Director of Liberbank S.A. where she is Chair of the Nomination Committee and a member of the Remuneration Committee.   |
| Fiona Muldoon      | Non-Executive Director                                 | Group Chief Executive of FBD Holdings plc and Chief Executive of FBD Insurance plc. Director of Insurance Ireland (Member Association) CLG.   |
| Patrick Mulvihill* | Non-Executive Director                                 | Non-executive Director of International Fund Services (Ireland) Limited and Virtu Financial Transaction Services Limited. Director of Glenstal Abbey School CLG and Beachvista Limited. |

\* Audit committee member

### Conflicts of interest

BOIG is not aware of any potential conflicts of interest between the duties to BOIG of the persons listed under “*Board of Directors*” above and their private interests or other duties.

### Corporate Governance

A key objective of the Group’s governance framework is to ensure compliance with applicable legal and regulatory requirements. BOIG is subject to both the UK Corporate Governance Code of the Financial Reporting Council and The Irish Corporate Governance Annex to the Listing Rules of the Irish Stock Exchange and all relevant Irish law requirements. BOIG is governed according to the BOIG Constitution, the applicable laws of Ireland, and the applicable rules and regulations of the relevant regulatory bodies. The Board’s oversight of risk and control will be supported through delegation of certain responsibilities to Committees. The Chairman of each Committee will formally report on key aspects of Committee proceedings to the subsequent scheduled meeting of the Board and minutes of principal Committees will be tabled at the Board as soon as possible for noting and/or discussion as necessary. The terms of reference of the Committees will be reviewed annually by the relevant Committees and by the Board.

The Group believes it has robust governance arrangements, which include a clear organisational structure with well defined, transparent and consistent lines of responsibility, effective processes to identify, manage, monitor and report the risks to which it is or might be exposed and appropriate internal control mechanisms, including sound administrative and accounting procedures, IT systems and controls. The system of governance is subject to regular internal review.

### **Group Audit Committee (the “GAC”)**

At the date of this Prospectus, the GAC comprised six Non-executive Directors. The Board believes that the Chairman is considered independent and may be regarded as an Audit Committee financial expert and that the GAC as a whole has an appropriate mix of skills and relevant financial/banking experience to enable it to discharge its responsibilities. The GAC has responsibility for:

- the appropriateness and completeness of the system of internal control;
- in close liaison with the Board Risk Committee, reviewing the manner and framework in which management ensures and monitors the adequacy of the nature, extent and effectiveness of internal control systems, including accounting control systems, thereby maintaining an effective system of internal control;
- monitoring the integrity of the financial statements and assisting the Board in meeting its obligations under relevant Stock Exchange listing rules and under other applicable laws and regulations including the Sarbanes-Oxley Act;
- overseeing all matters relating to the relationship between the Group and the external auditors of the Group;
- monitoring and reviewing the effectiveness of the Board’s Internal Audit function and its operations; and
- discharging the statutory responsibility of the Group under relevant statutes or regulation.

It has developed and implemented a Group Policy on the Provision of Non-Audit Services by the Group’s statutory auditor. The Group Policy ensures, among other things, that auditor objectivity and independence are not compromised. Under this Policy, a key procedural control requires that any engagement of the external auditors to provide non-audit services must be pre-approved by the GAC.

## UNAUDITED HISTORICAL FINANCIAL INFORMATION OF BOIG

### Section A: Historical Financial Information

The following unaudited historical financial information presents the financial records of BOIG for the period from incorporation on 28 November 2016 to 30 June 2017. The Directors of BOIG have prepared financial information for BOIG for the period ended 30 June 2017 on the basis expected to be applicable, in so far as this is currently known, for the first set of consolidated financial statements of BOIG expected to be prepared for the period ended 31 December 2017.

#### *Condensed statement of financial position*

|                               | <b>As at<br/>30 June 2017<br/>€</b> |
|-------------------------------|-------------------------------------|
| <b>Assets</b>                 |                                     |
| Debtors                       | 27,800                              |
| <b>Total assets</b>           | <b>27,800</b>                       |
| <b>Equity</b>                 |                                     |
| Called up share capital       | 25,022                              |
| Undenominated capital account | 2,778                               |
| <b>Total equity</b>           | <b>27,800</b>                       |

#### *Income Statement*

BOIG did not trade during the period from incorporation (being 28 November 2016) to 30 June 2017 and received no income or incurred no expenditure. Consequently, during this period BOIG made neither a profit nor loss.

BOIG has no other recognised gains or losses, nor any cash flows during this period and accordingly no statement of changes in equity or statement of cash flows is presented.

#### ***Summary of Accounting Policies***

##### *Statement of compliance*

The financial information has been prepared in accordance with IFRS as adopted by the EU.

##### *Basis of preparation*

The financial information presents the financial records of BOIG for the period from incorporation (being 28 November 2016) to 30 June 2017.

The financial information is presented in euro (€), being the functional currency of BOIG's operations.

BOIG did not trade during the period from incorporation to 30 June 2017.

##### *Debtors*

Debtors are stated at the lower of amortised cost or recoverable amount.

##### *Share capital*

Ordinary shares are classified as equity.

## Authorised and Issued Share Capital

|   | 30 June 2017          |
|---|-----------------------|
|   | €                     |
| <b>Authorised Share Capital</b>               |                       |
| 10,000,000,000 ordinary shares of €1.00 each  | 10,000,000,000        |
| 27,800 deferred ordinary shares of €0.90 each | 25,020                |
|   | <hr/>                 |
|   | <b>10,000,025,020</b> |
| <br>  |                       |
| <b>Issued and called up Share Capital</b>     |                       |
| 2 ordinary shares of €1.00 each               | 2                     |
| 27,800 deferred ordinary shares of €0.90 each | 25,020                |
|   | <hr/>                 |
|   | <b>25,022</b>         |

On incorporation (28 November 2016), the issued share capital of BOIG was €25,000.20 divided into 25,000 deferred ordinary shares of €1.00 each and 2 ordinary shares of €0.10 each. All of these shares were fully paid up on that date.

On 23 March 2017 the company issued an additional 2,800 deferred ordinary shares of €1.00 each. Immediately following allotment the nominal value of the deferred ordinary shares was reduced from €1.00 to €0.90 per share with €2,780 being credited to the undenominated capital account of the company. Immediately following this, the nominal value of each ordinary share was increased from €0.10 to €1.00 by debiting the undenominated capital account. Immediately following the increase in nominal value of the ordinary shares, the amount standing to the credit of the undenominated capital account of BOIG was €2,778.20.

### **Debtors**

Debtors are receivable within one year.

### **Post Balance Sheet Events**

#### *Introduction of BOIG as the listed holding company of the Group*

The Group announced in February 2017 that it had been notified by the SRB that the resolution authorities (being the SRB and the Bank of England working together within the Resolution College) had reached a joint decision on the resolution plan for the Group and in that context had settled on a single point of entry bail-in strategy at a holding company level as the preferred resolution strategy. It was announced in March 2017 that the reorganisation would be implemented by a scheme of arrangement (the “**Scheme**”) under the Companies Act.

At an Extraordinary General Meeting held on 28 April 2017, the ordinary stockholders of BOI approved the resolutions necessary to implement the corporate reorganisation and subsequently on 23 June 2017 the Irish High Court approved the Scheme.

The Scheme became effective on 7 July 2017 and as a result BOIG became the new parent entity of the Group on that date.

Holders of ordinary stock in BOI on 7 July 2017 were issued with BOIG Shares on the basis of the exchange ratio of one BOIG Share for each individual holding of 30 units of ordinary stock in BOI (which included a rounding up mechanism).

As a result, a total of 1,078,822,872 units of €1.00 per unit ordinary shares in BOIG, representing its entire issued ordinary share capital, were admitted to the primary listing segment of the Official List of the Irish Stock Exchange and to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the Irish Stock Exchange’s Main Securities Market and the London Stock Exchange’s main market for listed securities on 10 July 2017.

*BOIG capital reduction*

On 10 July 2017, BOIG applied to the Irish High Court for approval of a capital reduction to create distributable reserves (within the meaning of Section 117 of the Companies Act). A capital reduction is a legal procedure which does not reduce regulatory capital. The capital reduction was approved by the High Court on 27 July 2017 and distributable reserves of €5.5 billion were created in BOIG when the Irish High Court order approving the capital reduction was registered with the Companies Registration Office on 28 July 2017.

There have been no other post balance sheet events since 30 June 2017.

## Section B: Accountant's Report

**Accountant's report on BOIG for the period from the date of incorporation (being 28 November 2016) to 30 June 2017**



The Directors  
Bank of Ireland Group plc  
40 Mespil Road  
Dublin 4  
Republic of Ireland

11 August 2017

Dear Sirs

**Accountant's report on Bank of Ireland Group plc ("BOIG") for the period from the date of incorporation (28 November 2016) to 30 June 2017**

We report on the non-statutory financial information set out in the section entitled "*Unaudited Historical Financial Information of BOIG – Section A: Historical Financial Information*" of the Prospectus (as defined below) in respect of BOIG. This non-statutory financial information of BOIG has been prepared for inclusion in the Prospectus dated 11 August 2017 relating to the €25,000,000,000 Euro Note Programme of BOIG and The Governor and Company of the Bank of Ireland (the "**Prospectus**") on the basis of the accounting policies set out in Note 1.

### **Responsibilities**

The directors of BOIG (the "**Directors**") are responsible for preparing the non-statutory financial information on the basis of preparation set out in Note 1 to the financial information.

It is our responsibility to form an opinion on the non-statutory financial information and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under paragraph 3(2)(f) of Schedule 1 of the Prospectus (Directive 2003/71/EC) Regulations 2005 (the "**Prospectus Regulations**") to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex XI of the Commission Regulation (EC) No 809/2004 (the "**EU Prospectus Regulation**"), consenting to its inclusion in the Prospectus.

### **Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom and published by the Institute of Chartered Accountants in Ireland. Our work included an assessment of evidence relevant to the amounts and disclosures in the non-statutory financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the non-statutory financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the non-statutory financial information is free from material misstatement whether caused by fraud or other irregularity or error.

**Opinion**

In our opinion, the non-statutory financial information gives, for the purposes of the Prospectus dated 11 August 2017, a true and fair view of the state of affairs of BOIG as at 30 June 2017, of its results and its cash flows from the date of incorporation (being 28 November 2016) to 30 June 2017 in accordance with the basis of preparation set out in Note 1 to the non-statutory financial information.

**Declaration**

For the purposes of paragraph 3(2)(f) of Schedule 1 of the Prospectus Regulations we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with paragraph 1.2 of Annex XI of the EU Prospectus Regulation.

Yours faithfully

PricewaterhouseCoopers  
Chartered Accountants

## DESCRIPTION OF BOI

### General

BOI is, directly or indirectly, the parent of a group of subsidiary companies operating in the financial services sector.

BOI was established as a chartered corporation by an Act of the Irish Parliament of 1781/2 and by a Royal Charter of King George III in 1783. The Group is one of the largest financial services groups in Ireland with total assets of €123 billion at 31 December 2016. The address of the registered office of BOI is 40 Mespil Road, Dublin 4, Ireland. BOI's telephone number is + 353 1 661 5933.

The Group provides a broad range of banking and other financial services. These services include: current account and deposit services, overdrafts, term loans, mortgages, business and corporate lending, international asset financing, leasing, instalment credit, invoice discounting, foreign exchange facilities, interest and exchange rate hedging instruments, life assurance, pension and protection products. All of these services are provided by the Group in Ireland with selected services being offered in the UK and internationally. The Group generates the majority of its revenue from traditional lending and deposit taking activities as well as fees for a range of banking and transaction services. The Group operates an extensive distribution network of over 250 branches and approximately 1,750 ATMs in Ireland and access to approximately 11,500 branches and approximately 2,500 ATMs in the UK via the Group's relationship as financial services partner with the UK Post Office. The Group also has access to distribution in the UK via its partnership with the AA and also through a number of strategic intermediary relationships.

The Group is organised into four trading divisions to effectively service its customers as follows: Retail Ireland, Bank of Ireland Life, Retail UK and Corporate & Treasury.

The Group's central functions, through Group Centre, establish and oversee policies and provide and manage certain processes and delivery platforms for divisions. These Group central functions comprise Group Manufacturing, Group Finance, Group Credit & Market Risk, Group Governance Risk and Group Human Resources.

### Operating Segments

The Group has five reportable operating segments which reflect the internal financial and management reporting structure and are organised as follows:

#### *Retail Ireland*

Retail Ireland is managed through a number of business units namely Distribution Channels, Customer Propositions (including Customer and Wealth Management and Bank of Ireland Mortgage Bank) and Business Banking (including Bank of Ireland Finance).

#### *Bank of Ireland Life*

Bank of Ireland Life (which includes the Group's life assurance subsidiary, New Ireland Assurance Company plc) distributes protection, investment and pension products to the Irish market through independent brokers, its financial advisors (direct sales force) and the Group's distribution channels.

#### *Retail UK*

The Retail UK division incorporates the financial services relationship and foreign exchange joint venture with the UK Post Office, the financial services partnership with the AA, the UK residential mortgage business, the Group's branch network in Northern Ireland (NI), the Group's business banking business in NI and the Northridge motor and asset finance business. The Group also has a business banking business in Great Britain (GB) which is being run-down. The Retail UK division includes the activities of Bank of Ireland (UK) plc, the Group's wholly owned UK licensed banking subsidiary.

#### *Corporate and Treasury*

The Corporate and Treasury division comprises Corporate Banking, Global Markets and IBI Corporate Finance. It also manages the Group's euro area liquid asset bond portfolio.



## Group Centre

Group Centre comprises Group Manufacturing, Group Finance, Group Risk, Group Governance and Regulatory and Group Human Resources. The Group's central functions, through Group Centre, establish and oversee policies and provide and manage certain processes and delivery platforms for the divisions.

## Recent Developments

### Settlement Agreement

The Central Bank on 30 May 2017 announced that it has entered into a settlement agreement with BOI (the "Settlement Agreement") in respect of contraventions which relate to anti-money laundering and counter-terrorism financing compliance. The Central Bank has reprimanded BOI and required BOI to pay a monetary fine of €3,150,000 for twelve breaches of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, which occurred between 15 July 2010 and 18 December 2015, namely relating to: risk assessment; reporting of suspicious transactions; correspondent banking; trade finance; customer due diligence; and third party reliance.

In imposing the financial penalty, the Central Bank considered a number of matters including BOI's co-operation, and the actions taken by BOI to remediate the position.

The Central Bank confirmed that its investigation into BOI in respect of this matter is now closed.

### Capital Stock

Pursuant to the Scheme, BOIG became the new parent entity of BOI on 7 July 2017. As a result 7 July 2017 was the last day of trading of BOI's ordinary stock and accordingly its ordinary stock was delisted from the primary listing of the Official List of the Irish Stock Exchange and the premium listing segment of the Official List of the FCA and from trading on the Irish Stock Exchange's Main Securities Market and the London Stock Exchange's main market for listed securities.

As permitted under the Bye-Laws of BOI and as anticipated in the Equity Prospectus, at the date of the Scheme becoming effective, BOI acquired and cancelled all of the outstanding units of deferred stock of €0.01 each in issued capital stock. BOI also cancelled all of the units of ordinary stock of €0.05 held by BOI as treasury stock. On 7 July 2017, 91,980,594,628 units of €0.01 deferred stock were acquired for nil consideration and cancelled and 22,008,690 units of €0.05 ordinary stock held by BOI as treasury stock were cancelled. The reduction in issued share capital was credited to the undenominated capital account of BOI in the amount of €921 million.

## Capital Stock

The following table sets out the consolidated capital stock of BOI in issue as at 10 July 2017.

| <i>Consolidated Capital Stock of BOI</i>                                     | <i>As at<br/>10 July 2017</i> |
|--|-------------------------------|
| <b>Authorised</b>  |                               |
| <b>Eur€</b>  | <i>€m</i>                     |
| 90 billion units of ordinary stock of €0.05 each .....                       | 4,500                         |
| 228 billion units of deferred stock of €0.01 each .....                      | 2,280                         |
| 100 million units of non-cumulative preference stock of €1.27 each .....     | 127                           |
| 100 million units of undesignated preference stock of €0.25 each .....       | 25                            |
| 3.5 billion units of non-cumulative 2009 preference stock of €0.01 each..... | 35                            |
| <b>Stg£</b>  | <i>£m</i>                     |
| 100 million units of non-cumulative preference stock of Stg£1 each.....      | 100                           |
| 100 million units of undesignated preference stock of Stg£0.25 each .....    | 25                            |
| <b>US\$</b>  | <i>\$m</i>                    |
| 8 million units of non-cumulative preference stock of US\$25 each .....      | 200                           |
| 100 million units of undesignated preference stock of US\$0.25 each .....    | 25                            |
|  | <i>As at<br/>10 July 2017</i> |

|  |  |
|--|--|
| <b>Allotted and fully paid</b>   | <i>€m</i>  |
| 32.363 billion units of €0.05 ordinary stock .....                       | 1,617  |
| 1.9 million units of non-cumulative preference stock of Stg£1 each ..... | 3  |
| 3.0 million units of non-cumulative preference stock of €1.27 each ..... | 4  |
|  | <hr style="border-top: 1px solid black; border-bottom: 1px solid black; height: 3px; width: 100%;"/> 1,624 |

### **Court of Directors**

The business address of the Court of Directors of BOI (the “**Court**”) is Bank of Ireland, 40 Mespil Road, Dublin 4, Ireland.

| <i>Name</i>                 | <i>Function within BOI</i>                          | <i>Principal Outside Activities</i>   |
|-----------------------------|---|---|
| Archie G. Kane              | Governor  | Non-executive Director of Melrose plc, where he is a member of the Audit Committee, the Remuneration Committee and the Nominations Committee. Trustee of the Stratford Literary Festival.   |
| Richie Boucher <sup>4</sup> | Group Chief Executive Officer; Executive Director   | Non-executive Director of Eurobank Ergasias S.A. and Director of IBEC CLG.  |
| Kent Atkinson*              | Non-Executive Director                              | None.   |
| Pat Butler                  | Non-Executive Director                              | Non-executive Director of Hikma Pharmaceuticals plc, where he is Chairman of the Audit Committee and a member of the Nomination and Compliance, Responsibility and Ethics Committees. Director of Towergate Insurance Group and Chairman of the Risk Committee. Governor of the British Film Institute. Non-executive Director of The Resolution Foundation and Res Media Limited. Partner of the Resolution Group. |
| Tom Considine*              | Non-Executive Director                              | None.   |
| Richard Goulding            | Non-Executive Director                              | Non-executive Director of Citigroup Global Markets Limited, where he is Chair of the Board Risk Committee and is a member of the Audit and Remuneration & Nomination Committees.  |
| Patrick Haren*              | Senior Independent Director; Non-executive Director | Advisory role to Green Sword Environmental Ltd.   |
| Andrew Keating              | Group Chief Financial Officer; Executive Director   | Non-executive Director of Irish Management Institute CLG.   |
| Patrick Kennedy*            | Deputy Governor; Non-Executive Director             | Chairman of Cartrawler.   |
| Davida Marston*             | Non-Executive Director                              | Non-executive Director of Liberbank S.A. where she is Chair of the Nomination Committee and a member of the Remuneration Committee.   |
| Fiona Muldoon               | Non-Executive Director                              | Group Chief Executive of FBD Holdings   |

<sup>4</sup> On 17 May 2017, BOI announced the appointment of Ms Francesca McDonagh as Group Chief Executive Officer (CEO) to succeed Richie Boucher who steps down later this year. Ms McDonagh will also take up the position of Executive Director on the Court on 2 October 2017.

|                          |                        |   |
|--------------------------|------------------------|---|
|                          |                        | plc and Chief Executive of FBD Insurance plc. Director of Insurance Ireland (Member Association) CLG.   |
| Patrick Mulvihill*       | Non-Executive Director | Non-executive Director of International Fund Services (Ireland) Limited and Virtu Financial Transaction Services Limited. Director of Glenstal Abbey School CLG and Beachvista Limited. |
| * Audit committee member |                        |   |

### Conflicts of interest

BOI is not aware of any potential conflicts of interest between the duties to BOI of the persons listed under “*Court of Directors*” above and their private interests or other duties.

### Corporate Governance

A key objective of the Group’s governance framework is to ensure compliance with applicable legal and regulatory requirements. BOI is subject to the Central Bank’s Corporate Governance Requirements for Credit Institutions 2015 (the “**Irish Code**”, which is available on [www.centralbank.ie](http://www.centralbank.ie)), including the additional requirements of Appendix 1 and Appendix 2 of the Irish Code for High Impact Designated Institutions, and Credit Institutions which are deemed ‘Significant’ Institutions (for the purposes of the Capital Requirements Directive (“**CRD IV**”)), respectively. The current version of the Irish Code applies to credit institutions with effect from 11 January 2016. BOI was subject to the UK Corporate Governance Code 2014 published by the Financial Reporting Council in the UK (the “**UK Code**” which is available on [www.frc.org.uk](http://www.frc.org.uk)) and the Irish Corporate Governance Annex to the Listing Rules of the Irish Stock Exchange (the “**Irish Annex**” which is available on [www.ise.ie](http://www.ise.ie)) throughout 2016.

The Directors believe that BOI complied with the provisions of the Irish Code throughout 2016. The Directors also believe that BOI complied with the provisions of the UK Code, and the Irish Annex, throughout 2016 otherwise than as set out below:

- As Tom Considine was nominated by the Minister for Finance under the terms of the Credit Institutions (Financial Support) Scheme, 2008 and is not required to stand for election or regular re-election by stockholders, he is not classified as an independent Non-executive Director. In accordance with the Bye-Laws of BOI, Directors nominated by the Minister for Finance may not serve as a Director of the Bank for a period of longer than nine years after his or her date of appointment. Tom Considine is a member of both the Group Audit Committee and Court Risk Committee, which continue to benefit from the judgement and the quality of his contributions and comprises a minimum of three independent Non-executive Directors as per provision C.3.1 of the UK Code as does the Court Risk Committee;
- provision B.7.1 of the UK Code recommends annual election of directors by stockholders. In accordance with the Bye-Laws of BOI, Government nominated Directors are not required to put themselves up for re-election on an annual basis and accordingly Tom Considine was not submitted for re-election at the Annual General Court held in 2017. Government nominated Directors are subject to an annual review of their fitness and probity; and
- Brad Martin was a member of the Group Remuneration Committee (GRC) during 2016, and as Brad Martin represented a significant stockholder in BOI, he was therefore not considered independent. Brad Martin resigned from the GRC on 12 April 2016.

The Group believes it has robust governance arrangements, which include a clear organisational structure with well defined, transparent and consistent lines of responsibility, effective processes to identify, manage, monitor and report the risks to which it is or might be exposed and appropriate internal control mechanisms, including sound administrative and accounting procedures, IT systems and controls. The system of governance is subject to regular internal review.

### Court Audit Committee (the “CAC”)

At the date of this Prospectus, the CAC comprised six Non-executive Directors. The Court believes that the Chairman is considered independent and may be regarded as an Audit Committee financial expert and that

the CAC as a whole has an appropriate mix of skills and relevant financial/banking experience to enable it to discharge its responsibilities. The CAC has responsibility for:

- the appropriateness and completeness of the system of internal control;
- in close liaison with the Court Risk Committee, reviewing the manner and framework in which management ensures and monitors the adequacy of the nature, extent and effectiveness of internal control systems, including accounting control systems, thereby maintaining an effective system of internal control;
- monitoring the integrity of the financial statements and assisting the Court in meeting its obligations under relevant Stock Exchange listing rules and under other applicable laws and regulations;
- overseeing all matters relating to the relationship between the BOI and the external auditors of BOI and its subsidiaries;
- monitoring and reviewing the effectiveness of BOI's Internal Audit function and its operations; and
- discharging the statutory responsibility of BOI under relevant statutes or regulations.

The CAC is responsible for developing and implementing a Group Policy on the Provision of Non-Audit Services by the Group's statutory auditor. The Group Policy ensures, among other things, that auditor objectivity and independence are not compromised. Under this Policy, a key procedural control requires that any engagement of the external auditors to provide non-audit services must be pre-approved by the CAC.

### Financial Highlights of the Group

The financial information set forth below as at and for the year ended 31 December 2016 and the year ended 31 December 2015 has been extracted without material adjustment from the consolidated financial statements, except where noted below.

|                           | <i>Six months<br/>ended<br/>30-June<br/>2017<br/>IFRS</i> | <i>Twelve months<br/>ended<br/>31-Dec<br/>2016<br/>IFRS</i> | <i>Twelve months<br/>ended<br/>31-Dec<br/>2015<br/>IFRS</i> |
|---------------------------|---|---|---|
|                           | <i>€m</i>   | <i>€m</i>   | <i>€m</i>   |
| <b>Income statement</b>   |   |   |   |
| Profit before tax         | 455   | 1,032   | 1,232   |
| Profit after tax          | 371   | 793   | 947   |
| Earnings per share        | 31.8 cent   | 66.1 cent <sup>5</sup>                                      | 69.1 cent <sup>5</sup>                                      |
| <b>Balance sheet</b>      |   |   |   |
| Non-controlling interests | 1   | 1   | 1   |
| Subordinated liabilities  | 1,378   | 1,425   | 2,440   |
| Total equity              | 9,457   | 9,402   | 9,113   |
| Total assets              | 122,019   | 123,129   | 130,960   |
| Net interest margin       | 2.32%   | 2.19%   | 2.19%   |

The summary information above does not constitute the full financial statements of the Group, copies of which are required to be annexed to the Group's annual return to the Registrar of Companies in Ireland. Copies of the financial statements in respect of the financial periods ended on 30 June 2017, 31 December 2016 and 31 December 2015 have been incorporated by reference herein.

<sup>5</sup> The earnings per share for the years ended 31 December 2016 and 31 December 2015 have been adjusted for the stock consolidation on page 130. Excluding the impact of the share consolidation the earnings per share for the six months ended 30 June 2017 was 1.1 cent, for the year ended 31 December 2016, 2.2 cent, and for the year ended 31 December 2015, 2.3 cent.

## TAXATION

### General

The relevant Issuer will not be responsible for any withholding tax in any jurisdiction other than Ireland.

### United Kingdom Taxation

*The following is a summary of the Issuers' understanding of current United Kingdom law and published HM Revenue and Customs' practice relating only to the United Kingdom withholding tax treatment of payments of interest (as that term is understood for United Kingdom tax purposes) in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective holders of Notes depends on their individual circumstances and may be subject to change in the future. Prospective holders of Notes who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.*

Payments of interest on the Notes that does not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax.

### Irish Taxation

*This section constitutes a brief summary of relevant current Irish tax law and practice with regard to holders of Notes issued under the Programme. The comments are not exhaustive and relate only to the position of persons who are the absolute beneficial owners of Notes and Coupons and may not apply to certain classes of persons such as Dealers. Prospective holders of Notes should be aware that the particular terms of issue of any Notes may affect the treatment of that Series of Notes. Holders of Notes should seek independent tax advice on the implications of subscribing or buying, holding, selling, redeeming or disposing of the Notes.*

### Withholding Tax

In general, withholding tax at the standard rate of income tax (currently 20 per cent.) must be deducted from Irish source yearly interest payments made by an Irish company. However, no withholding for or on account of Irish income tax is required to be made from yearly interest in the circumstances set out below.

#### *Quoted Eurobonds*

Notes which are quoted on a recognised stock exchange and carry a right to interest constitute "quoted Eurobonds" under Section 64 of the Irish Taxes Consolidation Act, 1997 ("Section 64"). So long as Notes continue to qualify as quoted Eurobonds, interest payments may be made by a paying agent outside Ireland on behalf of the Bank without deduction of withholding tax. In addition, where interest is paid by a paying agent in Ireland in respect of a quoted Eurobond, withholding tax will not apply provided:

- (a) the Notes are held in a recognised clearing system; or
- (b) the person who is the beneficial owner of the Note and who is beneficially entitled to the interest is not resident in Ireland and has made the appropriate declaration to the relevant person.

#### *Interest paid by BOI*

Regardless of whether or not the Notes are listed, interest paid by BOI, a bank carrying on a *bona fide* banking business in Ireland in the ordinary course of such business is exempt from withholding tax.

#### *Interest paid on a wholesale debt instrument*

A "wholesale debt instrument" includes commercial paper (as defined in Section 246A(1) of the Taxes Consolidation Act, 1997, of Ireland (the "TCA"). In that context "commercial paper" means a debt instrument, either in physical or electronic form, relating to money in any currency, which is issued by a company, recognises an obligation to pay a stated amount, carries a right to interest or is issued at a discount or at a premium, and matures within 2 years. The exemption from Irish withholding tax applies if:

- (i) the wholesale debt instrument is held in a recognised clearing system (which includes Clearstream, DTC and Euroclear); and

- (ii) the wholesale debt instrument is of an approved denomination; and in this context an approved denomination means a denomination of not less than:
  - (A) in the case of an instrument denominated in euro, €500,000;
  - (B) in the case of an instrument denominated in United States Dollars, US\$500,000; or
  - (C) in the case of an instrument denominated in a currency other than euro or United States Dollars, the equivalent in that other currency of €500,000 (using the conversion rate applicable at the time the programme under which the instrument is to be issued is first publicised).

*Interest paid by a qualifying company or in the ordinary course of business to certain non-residents*

If, for any reason, the exemptions referred to above do not apply, interest payments may still be made free of withholding tax provided that the interest is paid in the ordinary course of the relevant Issuer's business and the Noteholder is:

- (i) a company which (1) by virtue of the law of a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty (“**Relevant Territory**”), is resident in the Relevant Territory for the purposes of tax, and that Relevant Territory imposes a tax that generally applies to interest receivable in that Relevant Territory by companies from sources outside that Relevant Territory, and (2) does not receive the interest payment in connection with a trade or business which is carried on in Ireland by it through a branch or agency; or
- (ii) a company where (1) the interest payable to it is exempted from the charge to income tax under a double taxation treaty in force between Ireland and another territory, or would be exempted from the charge to income tax if a double taxation treaty made between Ireland and another territory on or before the date of payment, but not yet in force, had the force of law when the interest was paid, and (2) it does not receive the interest payment in connection with a trade or business which is carried on in Ireland by it through a branch or agency.

The relevant Issuer must be satisfied that the respective terms of the exemptions are satisfied. The test of residence in each case is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident.

For other holders of Notes, interest may be paid free of withholding tax if the Noteholder is resident in a double tax treaty country and under the provisions of the relevant treaty with Ireland such Noteholder is exempt from Irish tax on the interest and clearance in the prescribed form has been received by the relevant Issuer before the interest is paid.

Discounts paid on Notes will not be subject to Irish withholding tax.

However, an encashment tax withholding obligation may arise as discussed under the heading “*Encashment Tax*” below, or a withholding obligation may in certain circumstances apply as discussed under the heading “*Deposit Interest Retention Tax*” below. (See also the section dealing with Deposit Interest Retention Tax for further reliefs from withholding tax.)

### **Encashment Tax**

Encashment tax may arise in respect of Notes issued by an Issuer which constitute quoted Eurobonds. Where interest payments are made in respect of such Notes, by an Irish collection agent acting on behalf of a Noteholder, encashment tax will arise and so withholding tax will be deducted from such payments at the standard rate of tax (which is currently 20 per cent.), unless a bank 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 avoid 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.

### **Deposit Interest Retention Tax (“DIRT”)**

DIRT is a form of Irish withholding tax which can apply to payments of interest made by BOI, the current rate is 39 per cent.. However, there will be no withholding on account for DIRT in any of the following circumstances:

- (A) where the Notes are and continue to be listed on a stock exchange; or
- (B) in cases where the Notes are not listed on a stock exchange, where the person beneficially entitled to the interest, discount or premium thereon is:
  - (i) not resident in Ireland; or
  - (ii) a company within the charge to corporation tax in Ireland on such interest, discount or premium; or
  - (iii) a pension scheme or charity of the kind mentioned in the definition of “relevant deposit” in paragraphs (f) or (h) of section 256(1) of the Irish Taxes Consolidation Act, 1997 (“TCA”),
 and in each case has provided to the Bank an appropriate declaration in the case of (i) above, and an appropriate reference number in the case of (ii) and (iii) above, as referred to in Section 256 of the TCA; or
- (C) where the Notes have a maturity of not more than 2 years and:
  - (i) are issued in a minimum denomination of €500,000 (or its currency equivalent) or U.S.\$500,000 and the Note is held in a recognised clearing system, including Euroclear or Clearstream, or any other clearing system recognised from time to time by the Irish Revenue Commissioners, or;
  - (ii) either (a) the person by whom the payment is made, or (b) the person through whom the payment is made is resident in Ireland or the payment is made either by or through an Irish branch or agency of a company that is not resident in Ireland, and:
    - 1. the person who is beneficially entitled to the interest is a resident of Ireland who has provided their Irish tax reference number to the payer; or
    - 2. the person who is the beneficial owner of the Note and who is beneficially entitled to the interest thereon is not resident in Ireland and has made a declaration to that effect in the prescribed form; or
- (D) in the case of Notes issued which are of medium term, which includes Notes issued hereunder for a term of 2 years or more (and may include Notes with a term of less than 2 years) which satisfy all of the following conditions:
  - (a) the Bank does not sell or offer the Notes to Irish resident persons;
  - (b) the Managers have and comply with their selling commitments not to knowingly offer to sell the Notes to an Irish resident person, or to persons whose usual place of abode is Ireland and do not knowingly distribute or cause to be distributed in Ireland any offering material in connection with such instruments;
  - (c) the Notes are held in a clearing system recognised by the Irish Revenue Commissioners (which would include Clearstream, Euroclear and other specified clearing systems); and
  - (d) the minimum denomination in which such Notes may be issued is £300,000 or its equivalent in another currency.

### **Reporting Requirements**

In the case of an Irish resident issuing or paying agent paying to an Irish resident, there is a requirement to report to the Irish Revenue Authorities the names and addresses of the person to whom interest was paid or credited, the amount of interest paid or credited and the tax reference number of the person to whom the payment was made. In addition, where an exemption from DIRT referred to at paragraph (B) above under the heading “*Deposit Interest Retention Tax (“DIRT”)*” is being claimed, by a company within the charge to Irish Corporation Tax, a pension scheme or an Irish registered charity, the details reported to the Revenue Commissioners must include the tax reference number of the person beneficially entitled to the interest (See also below “*Automatic Exchange of Information*”).

In addition, the obligations of the Issuers are also described in the risk factors.

### **Taxation of Interest**

Notwithstanding the fact that an Issuer may not be required to deduct withholding tax or, in the case of BOI, DIRT, in accordance with the preceding paragraphs, any interest, discount or premium on Notes issued in Ireland 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.

There are a number of exemptions from Irish income tax available to certain non-residents, such as:

- (i) interest paid by an Issuer in the ordinary course of the trade or business carried on by such Issuer, to a company (A) resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory or (B) where the interest is exempted from the charge to income tax under a double taxation treaty in force between Ireland and the country in which the Noteholder is resident for tax purposes or would be exempted if the relevant double taxation treaty had the force of law when the interest was paid; or
- (ii) where interest is paid by an Issuer to a person that is not a resident of Ireland and that is regarded as being resident in a Relevant Territory or to a company not resident in Ireland which is controlled by a person that is resident in a Relevant Territory (and is not controlled by a person not so resident) or to a company not resident in Ireland where the principal class of shares of the company or its 75 per cent. parent is substantially and regularly traded on a recognised stock exchange in an EU or treaty country, and (i) the interest is exempt from withholding tax because it is paid on a quoted Eurobond (see above under the heading “*Withholding Tax*”); or (ii) the interest is a payment to which Section 246A TCA applies (which would include interest paid free of DIRT) in accordance with the conditions set out under paragraph (C) of the section above under the heading “*Deposit Interest Retention Tax*”); or
- (iii) where a discount arises to a person that is not a resident of Ireland and is resident for the purposes of tax in a Relevant Territory and the Notes were issued by the relevant Issuer in the ordinary course of the trade or business carried on by such Issuer.

Interest falling within the above exemptions is also exempt from the universal social charge.

While the matter is not free from doubt payments of premium should, if regarded as interest, come within the above mentioned exemptions.

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.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge. In the past the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, this practice does not reflect the adaptation of a policy on the part of the Irish Revenue Commissioners not to collect the tax and there is no guarantee that this practice will continue.

### **Capital Gains Tax**

A holder of a Note will not be subject to Irish taxes on capital gains (currently 33 per cent.) on a disposal of a Note unless such holder is a person either resident nor ordinarily resident in Ireland or a person who has an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Notes are attributable.

### **Stamp Duty**

Irish stamp duty will not be payable on the issue of temporary bearer global Notes, permanent bearer global Notes or definitive Notes.

A transfer of Notes in bearer form by physical delivery only and not otherwise will not attract Irish stamp duty. A transfer of Notes by instrument in writing or effected through an approved or recognised relevant system as provided for in the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 will be subject to Irish stamp duty at a rate of 1 per cent. except where the Notes meet all of the following conditions: they are



not issued at a discount of more than 10 per cent., do not carry rights akin to share rights, are not convertible into shares and do not carry a right to a payment linked wholly or partly, and directly or indirectly, to an equity index or equity indices.

### **Capital Acquisitions Tax**

A gift or inheritance consisting of Notes will generally be within the charge to Irish Capital Acquisitions tax (currently 33 per cent.) 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 case of gifts/inheritances taken under a discretionary trust, capital acquisitions tax will apply where the disponent is resident or ordinarily resident (or in the case of discretionary trusts established before 1 December 1999, domiciled) in Ireland irrespective of the residence or ordinary residence of the donee/successor) on the relevant date; or
- (ii) if the Notes are Irish situated property. Notes which are in bearer form and which are physically located outside Ireland are generally not regarded as Irish property. Notes which are in registered form are regarded as Irish property where the principal register is maintained in Ireland or is required to be maintained in Ireland.

### **The proposed financial transactions tax (FTT)**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia, Slovakia (together, the “**participating Member States**”) and Estonia. However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

### **Automatic exchange of information**

Irish reporting financial institutions, which includes the Issuers, may have reporting obligations in respect of a Noteholder under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD’s Common Reporting Standard, which Ireland has implemented into Irish law.

### **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “**foreign financial institution**” (as defined by FATCA) may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting or related requirements. Each Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Ireland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to 1 January 2019 and Notes characterised as debt (or which are not otherwise characterised as

equity and have a fixed term) for U.S. Federal income purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer).

However, if additional Notes (as described under Condition 16) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

### **Common Reporting Standard (the “CRS”)**

The CRS framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the “**Standard**”) was published, involving the use of two main elements, the Competent Authority Agreement (the “**CAA**”) and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (“**FIs**”) relating to accountholders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information, which was entered into by Ireland in its capacity as a signatory to the Convention on Mutual Administrative Assistance in Tax Matters and which relates to the automatic exchange of financial account information in respect of CRS, while sections 891F and 891G of the 1997 Act and regulations made thereunder contain measures necessary to implement the CRS internationally and across the European Union, respectively. The Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the “**CRS Regulations**”), giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Under the CRS Regulations, reporting financial institutions, which may include each Issuer, are required to collect certain information on accountholders and on certain controlling persons (as defined in the CRS Regulations) in the case of the accountholder being an entity, as defined for CRS purposes, to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Where a Note is held in a clearing system it is understood that either the clearing system itself or the relevant clearing participants are likely to be considered FIs and accordingly each Issuer should not have reporting obligations in respect of a Noteholder holding such Notes. In that event each Issuer will make a nil return for that year to the Irish Revenue Commissioners.

## SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement (as amended and/or supplemented and/or restated from time to time, the “**Programme Agreement**”) dated 11 August 2017, agreed with the Issuers a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes” above. In the Programme Agreement, each Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any further update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain losses, liabilities, costs, claims, actions, damages, expenses or demands in connection therewith. The Dealers are entitled to be released and discharged from their obligations in relation to any agreement to issue and purchase Notes under the Programme Agreement in certain circumstances prior to payment to the relevant Issuer.

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of the issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will have sent to each dealer 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 or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Exempt Notes which are also Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

### Prohibition of sales to EEA Retail Investors

From 1 January 2018, unless the applicable Final Terms in respect of any Notes (or applicable Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or

- (ii) a customer within the meaning of Directive 2002/92/EC (as amended), 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 (as defined below); and
- (b) the expression an “**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.

Prior to 1 January 2018, and from that date if the applicable Final Terms in respect of any Notes (or applicable Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (the “**Relevant Member State**”), each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

### **United Kingdom**

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) in relation to any Notes issued by BOIG which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or

agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) by BOIG;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the 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, or in the case of BOI would not, if BOI was not an authorised person, apply to the Issuers; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any such Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **Ireland**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) it has not offered, sold, underwritten or placed and will not offer, sell, underwrite or place any Notes other than in conformity with the Prospectus Directive Regulations 2005 (Statutory Instrument No. 324 of 2005) as amended and any prospectus rules made by the Central Bank under Section 1363 of the Companies Act from time to time;
- (b) to the extent applicable it has complied with and will comply with all applicable provisions of (i) the Companies Act; (ii) the Market Abuse Regulation (EU 596/2014) (as amended) and any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act; (iii) the Central Bank Acts 1942 to 2015 (as amended) of Ireland; and (iv) the European Communities (Markets in Financial Instruments) Regulations, 2007 (Nos. 1 to 3) (of Ireland) (as amended) including, without limitation, Regulations 7 and 152 and will conduct itself in accordance with any codes of conduct drawn up pursuant thereto and the provisions of the Investor Compensation Act, 1998 (as amended) or, in the case of a credit institution, in conformity with the codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended) (of Ireland), with respect to anything done by it in relation to the Notes; and
- (c) to the extent that the Notes are not listed on a recognised stock exchange, and where they have a maturity of 2 years or more (or if under 2 years do not have a denomination of at least €500,000 or the currency equivalent or U.S.\$500,000 and are not held in a recognised clearing system), they will not knowingly make primary sales (or knowingly offer to do so, or distribute any material in that connection in Ireland) to any Irish residents or persons in respect of such Notes.

## **Republic of Italy**

The offering of the Notes has not been and will not be registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and Article 34-ter, first paragraph, letter b) of Commissione Nazionale per le Società e la Borsa (“**CONSOB**”) Regulation No. 11971 of 14 May 1999, as amended from time to time (“**Regulation No. 11971**”); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 23 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the “**Banking Act**”); and
- (b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; or
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

Note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies, Notes which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are regularly (“*sistematicamente*”) distributed on the secondary market in Italy to non-qualified investors become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by such non-qualified investors.

### **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not, directly or indirectly, purchase, offer, sell or deliver any Notes or distribute or publish any offering circular, information memorandum, prospectus, form of application, advertisement or other document or information 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 purchases, offers, sales and deliveries of Notes by it will be made on the same terms.

Without prejudice to the generality of the above paragraph, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will obtain any consent, approval or permission which is, to the best of its knowledge and belief, required for the offer, purchase, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such offers, purchases, sales or deliveries and it will, to the best of its knowledge and belief, comply with all such laws and regulations.

## GENERAL INFORMATION

### Authorisation

The establishment of the Programme and the issue of Notes under the Programme by BOI have been duly authorised pursuant to resolutions of the Court of Directors of BOI dated 14 February 1995 and 27 July 1995.

The update of the Programme has been authorised by resolution of a committee of the Court of Directors of BOI dated 24 July 2017, acting pursuant to powers delegated to it by the Court of Directors by resolutions dated 13 September 2005 and 29 June 2017.

BOIG's accession to the Programme and the issue of Notes under the Programme by BOIG have been duly authorised pursuant to resolutions of the Board of Directors of BOIG dated 29 June 2017 and resolutions of a committee of the Board of Directors of BOIG dated 24 July 2017, acting pursuant to powers delegated to it by the Board of Directors by its resolutions of 29 June 2017.

### Listing

Application has been made to:

- (i) the Irish Stock Exchange for Notes, other than Exempt Notes, issued under the Programme to be listed on the Official List of the Irish Stock Exchange and to be admitted to trading on the Irish Stock Exchange's regulated market; and
- (ii) the Irish Stock Exchange for Exempt Notes to be listed on the Official List of the Irish Stock Exchange and to be admitted to trading on the Global Exchange Market.

The applications are expected to be approved on or around 11 August 2017. The listing of Notes on the Irish Stock Exchange will be expressed at their nominal amount (excluding accrued interest). It is expected that each Tranche of Notes which is to be admitted to the Irish Official List will be admitted separately as and when issued, subject only to the issue of a Temporary Bearer Global Note initially representing the Notes of such Tranche.

### Documents Available

From the date hereof and throughout the life of the Programme (or, in the case of any Notes admitted to trading on the Global Exchange Market, for so long as any such Notes remain admitted to trading on the Global Exchange Market), copies of the following documents will, when published, be available for physical inspection from the principal office of each Issuer and from the specified office of the Agent in London:

- (i) the Charter and Bye-Laws of BOI;
- (ii) the Constitution of BOIG;
- (iii) the Trust Deed, the Agency Agreement and the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons;
- (iv) the Report and Financial Statements of the BOI Group in respect of the financial years ended 31 December 2016 and 31 December 2015;
- (v) the Equity Prospectus (solely in connection with the incorporation by reference herein of certain financial information as provided under "*Documents Deemed to be Incorporated by Reference*");
- (vi) the unaudited consolidated interim financial statements of the BOI Group for the six months ended 30 June 2017;
- (vii) the Pillar 3 disclosures of the BOI Group for the year ended 31 December 2016; and
- (viii) the most recently available audited consolidated financial statements of each of BOI and BOIG and each of their most recently available interim financial statements (if published more recently than the audited consolidated financial statements just referred to).

### Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg will be specified in the relevant Final Terms (or Pricing Supplement, in the case of Exempt Notes). If the Notes are

to clear through an additional or alternative clearing system the appropriate information will be specified in the relevant Final Terms or Pricing Supplement.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### **Significant or Material Change**

Save as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the BOI Group taken as a whole since 30 June 2017 and no material adverse change in the financial position or prospects of BOI since 31 December 2016.

Save as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the BOIG Group taken as a whole and no material adverse change in the financial position or prospects of BOIG since 28 November 2016 (being the date of incorporation of BOIG).

### **Litigation**

Save as disclosed in the risk factor entitled “*The Group is exposed to litigation and regulatory investigation risk*”, there are no, nor have there been any, governmental, legal or arbitration proceedings involving either Issuer or any subsidiary of either Issuer which may have or have had during the 12 months prior to the date hereof a significant effect on the financial position or profitability of the Group taken as a whole, nor, so far as either Issuer is aware, are any such proceedings pending or threatened involving either Issuer or any of their respective subsidiaries.

### **Auditors**

The auditors of BOI and BOIG, PricewaterhouseCoopers, Chartered Accountants and Statutory Audit Firm, Dublin is a member of Chartered Accountants Ireland. PricewaterhouseCoopers has also audited the accounts of BOI in accordance with the International Standards on Auditing (UK and Ireland) and issued an unqualified audit opinion for the financial years ended 31 December 2016 and 31 December 2015.

As at the date of this Prospectus, no audited accounts have been prepared in respect of BOIG since its incorporation on 28 November 2016. BOIG’s unaudited non-statutory financial information for the six month period ended 30 June 2017 is set out at Part A of the section entitled “*Unaudited Historical Financial Information of BOIG*” in this Prospectus. PricewaterhouseCoopers provided an accountant’s report in respect thereof solely for the purposes of this Prospectus as set out on pages 136 and 137.

### **Consent**

PricewaterhouseCoopers has given and not withdrawn its written consent to the inclusion in this Prospectus of its report as set out at Part B of the section entitled “*Unaudited Historical Financial Information of BOIG*” in this Prospectus, and the references to its name, in the form and context in which they appear, and has authorised the contents of that part of this Prospectus which comprises its reports for the purposes of paragraph 2(2)(f) of Schedule 1 of the Prospectus (Directive 2003/71/EC) Regulations 2005.

### **Certificates**

The Trust Deed provides that the Trustee may rely on any certificate or report from an expert or any other person in accordance with the provisions of the Trust Deed whether or not any such certificate or report or any engagement letter or other document entered into by the Trustee in connection therewith contains any limit on the liability of such expert or such other person.

### **Material contracts**

Neither Issuer is party to any material contracts that are entered into outside the ordinary course of their respective businesses and that could result in any Group member being under an obligation or entitlement material to either Issuer’s ability to meet its obligations under any Notes.

### **Yield**

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.



**Post-issuance information**

The Issuers will not provide any post issuance information regarding the Notes, except if required by any applicable laws and/or regulations.

**Dealers transacting with the Group**

Certain of the Dealers and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to members of the Group and their respective affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of an Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with an Issuer routinely hedge their credit exposure to such Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## THE ISSUERS

**The Governor and Company of  
the Bank of Ireland**  
40 Mespil Road  
Dublin 4

**Bank of Ireland Group plc**  
40 Mespil Road  
Dublin 4

## TRUSTEE

**The Law Debenture Trust Corporation p.l.c.**  
Fifth Floor  
100 Wood Street  
London EC2V 7EX

## AGENT

**Citibank, N.A., London Branch**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

## REGISTRAR

**Citigroup Global Markets Deutschland AG**  
Reuterweg 16 60323  
Frankfurt am Main  
Germany

## LEGAL ADVISERS

**To the Issuers**  
*As to Irish law*

**Gabrielle Ryan**  
Group Legal Adviser  
Bank of Ireland  
40 Mespil Road  
Dublin 4

## To the Dealers and the Trustee

*As to Irish law*

**Arthur Cox**  
Ten Earlsfort Terrace  
Dublin D02 T380

*As to English law*

**Allen & Overy LLP**  
One Bishops Square  
London E1 6AD

## AUDITOR TO THE ISSUERS

**PricewaterhouseCoopers**  
Chartered Accountants and Statutory Audit Firm  
One Spencer Dock  
North Wall Quay  
Dublin 1

## IRISH LISTING AGENT

**A&L Listing Limited**  
International Financial Services Centre  
25-28 North Wall Quay  
Dublin 1

## DEALERS

**The Governor and  
Company of the Bank of Ireland**

BOI Global Markets  
2 Burlington Plaza  
Burlington Road  
Dublin 4

**BNP PARIBAS**

10 Harewood Avenue  
London NW1 6AA

**Commerzbank Aktiengesellschaft**

Kaiserstrasse 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Federal Republic of Germany

**Daiwa Capital Markets Europe Limited**

5 King William Street  
London EC4N 7AX

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB

**HSBC Bank plc**

8 Canada Square  
London E14 5HQ

**Lloyds Bank plc**

10 Gresham Street  
London EC2V 7AE

**Mizuho International plc**

Mizuho House  
30 Old Bailey  
London EC4M 7AU

**Natixis**

30 avenue Pierre Mendès-France  
75013 Paris

**Société Générale**

29 boulevard Haussmann  
75009 Paris

**UBS Limited**

5 Broadgate  
London EC2M 2QS

**Barclays Bank PLC**

5 The North Colonnade  
Canary Wharf  
London E14 4BB

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

**Credit Suisse Securities (Europe) Limited**

One Cabot Square  
London E14 4QJ

**Danske Bank A/S**

Holmens Kanal 2-12  
DK-1092 Copenhagen K  
Denmark

**Goldman Sachs International**

Peterborough Court  
133 Fleet Street  
London EC4A 2BB

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP

**Merrill Lynch International**

2 King Edward Street  
London EC1A 1HQ

**Morgan Stanley & Co International plc**

25 Cabot Square  
Canary Wharf  
London E14 4QA

**Nomura International plc**

1 Angel Lane  
London EC4R 3AB

**The Royal Bank of Scotland plc (trading as**

**NatWest Markets)**

250 Bishopsgate  
London EC2M 4AA

**UniCredit Bank AG**

Arabellastrasse 12  
81925 Munich

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