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## Bank of Ireland Mortgage Bank

(a public unlimited company incorporated under the laws of Ireland with registration number 386415)

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### €15,000,000,000 Mortgage Covered Securities Programme

This supplement (the **Supplement**) is supplemental to and should be read in conjunction with the base prospectus of Bank of Ireland Mortgage Bank (the **Issuer**) dated 2 June 2017 and the supplement dated 12 July 2017 (together, the **Base Prospectus**) relating to the Issuer's €15,000,000,000 Mortgage Covered Securities Programme (the **Programme**). Words and expressions defined in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement constitutes a base prospectus supplement for the purposes of Directive 2003/71/EC (the **Prospectus Directive**) and is issued in accordance with Article 16 thereof and relevant Irish laws. This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities which are to be admitted to trading on the regulated market of the Irish Stock Exchange plc (the **Irish Stock Exchange**) or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

This Supplement is also supplementary to the Base Prospectus as approved by the Irish Stock Exchange as listing particulars for the purposes of the "*Listing and Admission to Trading Rules of the Global Exchange Market*" of the Irish Stock Exchange relating to the Exempt Securities which are to be admitted to trading on the Global Exchange Market of the Irish Stock Exchange. This Supplement has been approved by the Irish Stock Exchange as a supplementary listing particulars for the purposes of the "*Listing and Admission to Trading Rules of the Global Exchange Market*" of the Irish Stock Exchange.

The Issuer accepts responsibility for the information contained in this Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge and belief, in accordance with the facts and does not omit anything likely to affect its import.

### AMENDMENTS TO THE BASE PROSPECTUS

#### Risk Factors

The following risk factors are inserted in the Base Prospectus under the heading "Factors which are material for the purpose of assessing the market risks associated with the Programme and the Securities" on page 27 before the paragraph entitled '*Other Risks*':

*"The regulation and reform of "benchmarks" may adversely affect the value of Securities 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 Securities 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 Issuer) 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 Securities 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 Securities linked to such benchmark (including but not limited to floating rate Securities 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 Securities 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 Securities linked to or referencing a "benchmark".

## Final Terms

The following disclosure updates the section of the Base Prospectus entitled Final Terms for Securities and is inserted into the Base Prospectus on page 55 after the paragraph *"Set out below is the form of Final Terms which will be completed for each Tranche of Securities which are not Exempt Securities issued under the Programme"*:

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Securities (as described herein), 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 (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**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 (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.] *[Include if the Final Terms specifies "Prohibition of Sales to European Economic Area Retail Investors" as "Applicable"]*

The following is inserted into the Final Terms Part B – Other Information under the sub-heading '7. Distribution' on page 68 of the Base Prospectus:

(vii) Prohibition of Sales to European Economic Area Retail Investors:

[Applicable/Not Applicable]

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

## Pricing Supplement

The following disclosure updates the section of the Base Prospectus entitled Pricing Supplement and is inserted in the Base Prospectus on page 69 after the paragraph "Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Securities, whatever the denomination of those Securities, issued under the Programme".

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Securities (as described herein), 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 (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**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 (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIPs Regulation**) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.] [*Include if the Pricing Supplement specifies "Prohibition of Sales to European Economic Area Retail Investors" as "Applicable"*]

The following disclosure updates the section of the Base Prospectus entitled and is inserted into the Pricing Supplement Part B – Other Information under the sub-heading '5. Distribution' on page 81 of the Base Prospectus:

Prohibition of Sales to European  
Economic Area Retail Investors:

[Applicable/Not Applicable]

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

## Recent Developments

The following disclosure updates the section of the Base Prospectus entitled Recent Developments and is inserted on page 114 after the paragraph 'Settlement Agreement':

### *"Disposal of Non-Cover Pool Assets*

Under the terms of a mortgage sale deed dated 15 November 2017 the Issuer sold its beneficial interest in a portfolio of approximately €4 billion in nominal value of performing loans, together with related security and related rights, to Bank of Ireland. The transaction was carried out on arm's length commercial terms. The sale of the portfolio completed on 27 November 2017, from which time Bank of Ireland assumed all benefits and obligations in respect of the loans in the portfolio. At the time of the sale, none of the loans sold formed part of the Pool or were Cover Assets in respect of the Securities."

## General

The issue of this Supplement was authorised in accordance with the resolutions of a committee of the Board of Directors of the Issuer on 20 December 2017.

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in this Supplement will prevail.

Save as described in this Supplement there has been no significant change in the information contained in the Base Prospectus and no significant new matter has arisen since 2 June 2017, the date of the publication of the Base Prospectus.

For as long as the Programme remains in effect or any Security is outstanding, copies of the current Base Prospectus and Listing Particulars in relation to the Programme, together with any amendments or supplements thereto (including this Supplement) may be inspected physically at the head office of the Issuer.