

Information Memorandum



ALLIED IRISH BANKS, p.l.c.

€5,000,000,000

Euro-Commercial Paper Programme

Rated by

Standard & Poor's Credit Market Services Europe Limited and Fitch Ratings Ltd.

Arranger

UBS INVESTMENT BANK

Issuing and Paying Agent

CITIBANK

Dealers

**AIB
BOFA MERRILL LYNCH
CREDIT SUISSE
ING
THE ROYAL BANK OF SCOTLAND**

**BARCLAYS
CITIGROUP
GOLDMAN SACHS INTERNATIONAL
NOMURA
UBS INVESTMENT BANK**

The date of this Information Memorandum is 16 March 2016

Disclaimer clauses for Dealers, Issuing and Paying Agent and Arranger

See the section entitled "Important Notice" on pages 1 to 4 of this Information Memorandum.

IMPORTANT NOTICE

*This Information Memorandum (together with any supplementary information memorandum, and information incorporated herein by reference, the “**Information Memorandum**”) contains summary information provided by Allied Irish Banks, p.l.c. (the “**Issuer**” or “**AIB**”) in connection with a euro-commercial paper programme (the “**Programme**”) under which the Issuer acting through its office in Dublin or its London branch as set out at the end of this Information Memorandum may issue and have outstanding at any time euro-commercial paper notes (the “**Notes**”) up to a maximum aggregate amount of €5,000,000,000 or its equivalent in alternative currencies.*

*Under the Programme, the Issuer may issue Notes outside the United States pursuant to Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**Securities Act**”). The Issuer has, pursuant to an amended and restated dealer agreement dated 16 March 2016 (the “**Dealer Agreement**”), appointed UBS Limited as arranger of the Programme (the “**Arranger**”), appointed Bank of America Merrill Lynch International Limited, Barclays Bank PLC, Citibank Europe plc, London Branch, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, ING Bank N.V., Nomura International plc, The Royal Bank of Scotland plc and UBS Limited as dealers in respect of the Notes (together with Allied Irish Banks, p.l.c. as dealer, the “**Original Dealers**” and, together with further dealers appointed under the Programme from time to time, the “**Dealers**”) and authorised and requested the Dealers to circulate this Information Memorandum in connection with the Programme on its behalf to purchasers or potential purchasers of the Notes.*

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) OR ANY U.S. STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”) (“U.S. PERSONS”)) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Information Memorandum or confirmed the accuracy or determined the adequacy of the information contained in this Information Memorandum. Any representation to the contrary is unlawful.

*An application for a Short Term European Paper (“**STEP**”) label for this Programme will be made to the STEP Secretariat. Information as to whether the STEP label has been granted for this Programme may be made available on the STEP market website (initially www.stepmarket.org). This website is not sponsored by the Issuer and the Issuer is not responsible for its content or availability.*

*Unless otherwise specified in this Information Memorandum, the expressions “**STEP**”, “**STEP Market Convention**”, “**STEP label**”, “**STEP Secretariat**”, and “**STEP market website**” shall have the meaning assigned to them in the Market Convention on Short-Term European Paper dated 25 October 2010 and adopted by the Euribor ACI and the Euribor EBF (as amended from time to time).*

The Issuer has confirmed to the Arranger and the Dealers that the information contained in this Information Memorandum is true and accurate in all material respects and not misleading and that

there are no other facts the omission of which makes this Information Memorandum as a whole or any such information contained or incorporated by reference herein misleading.

None of the Issuer, the Arranger and the Dealers accepts any responsibility, express or implied, for updating this Information Memorandum and neither the delivery of this Information Memorandum nor any offer or sale made on the basis of the information in this Information Memorandum shall under any circumstances create any implication that this Information Memorandum is accurate at any time subsequent to the date hereof or that there has been no change in the business, financial condition or affairs of the Issuer since the date hereof.

No person is authorised by the Issuer to give any information or to make any representation not contained in this Information Memorandum and any information or representation not contained herein must not be relied upon as having been authorised.

Neither the Arranger nor any Dealer has independently verified the information contained in this Information Memorandum. Accordingly, no representation or warranty or undertaking (express or implied) is made, and no responsibility or liability is accepted by the Arranger or any Dealer as to the authenticity, origin, validity, accuracy or completeness of, or any error in or omission from, any information or statement contained in this Information Memorandum or in or from any accompanying or subsequent material or presentation.

The information contained in this Information Memorandum is not, and should not be construed as, a recommendation by the Arranger, any Dealers or the Issuer that any recipient should purchase Notes. Each such recipient must make, and shall be deemed to have made, its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Notes as it may deem necessary and must base any investment decision upon such independent assessment and investigation and not on this Information Memorandum.

Neither the Arranger nor any Dealer undertakes to review the business or financial condition or affairs of the Issuer during the life of the Programme, nor undertakes to advise any recipient of this Information Memorandum of any information or change in such information coming to the Arranger's or any Dealer's attention.

*Neither the Arranger nor any Dealer accepts any liability in relation to this Information Memorandum or its distribution by any other person. This Information Memorandum does not, and is not intended to, constitute an offer or invitation to any person to purchase Notes. The distribution of this Information Memorandum and the offering for sale of Notes or any interest in Notes or any rights in respect of Notes, in certain jurisdictions may be restricted by law. Persons obtaining this Information Memorandum or any Notes or any interest in Notes or any rights in respect of Notes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. In particular, but without limitation, such persons are required to comply with the restrictions on offers or sales of Notes and on distribution of this Information Memorandum and other information in relation to the Notes and the Issuer set out under "**Selling Restrictions**" below.*

No application will be made at any time to list the Notes on any stock exchange.

A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received in connection with the issue or sale of any Notes will only be made in circumstances in which Section 21(1) of the FSMA would not, if the Issuer were not an "authorised person", apply to the Issuer.

TAX

Save for the comments made below by the Issuer, no comment is made, and no advice is given by the Issuer, the Arranger or any Dealer in respect of taxation matters relating to the Notes and each investor is advised to consult its own professional adviser.

Automatic Exchange of Information for Tax Purposes

EU Council Directive 2003/48/EC on the taxation of savings income (the “**Savings Directive**”), required EU member states to provide to the tax authorities of another EU member state details of payments of interest (or similar income which may include distributions by a company) paid by a person within its jurisdiction to an individual resident in that other EU member state.

On 10 November 2015 the Council of the European Union (“**EU**”) adopted the EU Council Directive 2015/2060/EU repealing the Savings Directive from 1 January 2017, in the case of Austria and from 1 January 2016, in the case of all other EU member states (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates).

That repeal of the Savings Directive is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under EU Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by EU Council Directive 2014/107/EU) (“**DAC2**”). DAC2 provides for the implementation among EU member states (and certain third countries that have entered into information exchange agreements with the relevant EU member state or the European Commission (“**IEA**”)) of the automatic exchange of information in respect of various categories of income and capital and broadly encompasses the regime known as the Common Reporting Standard (“**CRS**”) proposed by the OECD as a new global standard for the automatic exchange of information between tax authorities in participating jurisdictions. DAC2 is generally broader in its scope than the Savings Directive, although DAC2 does not impose withholding taxes.

Under the CRS, governments of participating jurisdictions (currently more than 90 jurisdictions) are required to collect detailed information to be shared with other jurisdictions annually. A group of over 40 countries, including Ireland, have committed to the early adoption of the CRS from 1 January 2016 with the first data exchanges taking place in September 2017. All EU member states, except Austria, will introduce the CRS from 1 January 2016. Austria will introduce the CRS from 1 January 2017.

The CRS is implemented in Ireland by the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 of Ireland (S.I. 583 of 2015) made under section 891F of the Taxes Consolidation Act 1997, as amended, of Ireland (the “**Taxes Act**”).

DAC2 was transposed into Irish law under the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (S.I. No. 609 of 2015) made under section 891G of the Taxes Act.

Pursuant to the above referenced regulations, the Issuer will be required to obtain and report to the Revenue Commissioners of Ireland annually certain financial account and other information for all new and existing Noteholders in respect of their Notes. The first returns must be submitted on or before 30 June 2017 with respect to the year ending 31 December 2016. The information will include amongst other things, details of the name, address, taxpayer identification number (TIN), place of residence and, in the case of Noteholders who are individuals, the date and place of birth, together with details relating to payments made to Noteholders and their holdings. This information may be shared with tax authorities in other EU member states (and with certain third countries

subject to the terms of IEAs entered into with those third countries) and jurisdictions which implement the OECD CRS.

U.S. Foreign Account Tax Compliance Withholding may affect payments on the Notes

Pursuant to the foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 (“**FATCA**”), non-U.S. financial institutions may be required to withhold on certain payments they make (foreign passthru payments) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer believes that it is a foreign financial institution for these purposes. A number of jurisdictions 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. A “foreign financial institution” that becomes subject to provisions of local law intended to implement an IGA (“**IGA legislation**”) entered into pursuant to FATCA may be required to identify “financial accounts” held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. Ireland and the United Kingdom have both entered into IGAs with the United States and have both implemented IGA legislation to give effect to the relevant IGA. Failure by the Issuer to report certain information on its U.S. account holders to the Revenue Commissioners of Ireland or to HM Revenue and Customs, as applicable, could result in the Issuer becoming subject to FATCA withholdings on payments it receives. In certain limited circumstances, the Issuer could also be required to withhold 30 per cent. from all, or a portion, of certain payments.

The Notes are expected to be held in bearer global or definitive form and held within the Relevant Clearing Systems (as defined below). It is generally expected by market participants that FATCA should not affect the amount of any payments made under, or in respect of, certain notes issued by regulated banks (such as, in the case of the Notes, payments by the Issuer, the Issuing and Paying Agent and the common depository/Common Safekeeper, given that each of the entities in the payment chain beginning with the Issuer and ending with the Relevant Clearing Systems will generally be a major financial institution whose business is dependent on compliance with FATCA) and that any alternative approach introduced under an IGA should be unlikely to negatively affect the FATCA treatment of such notes. However, the Form of Multicurrency Global Note expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the Relevant Clearing Systems. If this were to happen, then a non-FATCA compliant holder could be subject to withholding in limited circumstances. However, Definitive Notes will only be issued in exchange for Global Notes in the event of an Exchange Event (as defined in the Form of Multicurrency Global Note).

If an amount were to be deducted or withheld from interest, principal or other payment on the Notes as a result of FATCA, none of the Issuer, the Issuing and Paying Agent or any other person would, pursuant to the terms and conditions of the Notes be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may receive less interest, principal or other payment than expected.

DOCUMENTS INCORPORATED BY REFERENCE

The most recently published annual audited consolidated financial statements and audited interim consolidated financial statements of the Issuer and any subsequently published annual audited consolidated financial statements or audited interim consolidated financial statements of the Issuer shall be deemed to be incorporated in, and to form part of, this Information Memorandum.

Any statement contained in a document incorporated by reference into this Information Memorandum or contained in any supplementary information memorandum or in any document

incorporated by reference therein shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede earlier statements contained in this Information Memorandum or in a document which is incorporated by reference into this Information Memorandum. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Except as provided above, no other information, including information on the websites of the Issuer, is incorporated by reference into this Information Memorandum.

Each Dealer will, following receipt of such documentation from the Issuer, provide to each person to whom a copy of this Information Memorandum has been delivered, upon request of such person, a copy of any or all the documents incorporated herein by reference unless such documents have been modified or superseded as specified above. Written requests for such documents should be directed to the relevant Dealer at its office as set out at the end of this Information Memorandum.

INTERPRETATION

In this Information Memorandum, references to “euros” and “€” are to the lawful 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; references to “U.S. dollars” and “U.S.\$” are to United States dollars; references to “Sterling” and “£” are to pounds sterling; references to “CHF” are to Swiss francs; references to “AUD” are to Australian dollars; references to “CAD” are to Canadian dollars and references to “NZD” are to New Zealand dollars.

Where this Information Memorandum refers to the provisions of any other document, such reference should not be relied upon and the document must be referred to for its full effect.

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1. DESCRIPTION OF THE PROGRAMME

- 1.1. Name of the Programme:** Euro-Commercial Paper Programme of Allied Irish Banks, p.l.c.
- 1.2. Type of Programme** Euro-Commercial Paper
- 1.3. Name of the Issuer:** Allied Irish Banks, p.l.c., acting through its Dublin office or its London branch
- 1.4. Type of Issuer:** Monetary financial institution
- 1.5. Purpose of the Programme:** Short term funding programme
- 1.6. Programme size (ceiling):** The outstanding principal amount of the Notes will not exceed **€5,000,000,000** (or its equivalent in other currencies) at any time (the **“Maximum Amount”**). The Maximum Amount may be increased from time to time in accordance with the Dealer Agreement.
- 1.7. Characteristics and Form of the Notes:** The Notes will be in bearer form. The Notes will initially be in global form (**“Global Notes”**). A Global Note will be exchangeable into definitive notes (**“Definitive Notes”**) only in the limited circumstances set out in that Global Note.
- On or before the issue date in respect of any Notes (the **“relevant Issue Date”**), if the relevant Global Note indicates that it is intended to be issued in new global note (**“New Global Note”**) form, the Global Note will be delivered to a Common Safekeeper (as defined below) for the Relevant Clearing Systems (as defined below). If the relevant Global Note indicates that it is not intended to be a New Global Note, the Global Note will be deposited with a common depositary for the Relevant Clearing Systems. The interests of individual Noteholders in each Global Note that is a New Global Note will be represented by the records of the Relevant Clearing Systems.
- “Common Safekeeper”** means, in respect of any Global Note which is a New Global Note, the common safekeeper which is appointed by the Relevant Clearing Systems in respect of such New Global Note or, if such Global Note is a New Global Note intended to be held in a manner that would allow eligibility for collateral purposes in credit operations of the central banking system for the euro (the **“Eurosystem”**), the common safekeeper which is appointed for the Issuer and eligible to hold such Global Note for the purpose of the requirements relating to collateral for Eurosystem monetary and intra-day credit operations. If the Common Safekeeper as at the relevant Issue Date ceases to be so eligible after the relevant Issue Date, the relevant Notes

will no longer qualify for Eurosystem eligibility unless a new common safekeeper is appointed who is so eligible.

Where a Global Note indicates that it is intended to be held in a manner which would allow Eurosystem eligibility, this simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

1.8. Yield Basis:

The Notes may be issued at a discount or may bear fixed or floating rate interest.

1.9. Currencies of issue of the Notes:

Notes may be denominated in euro, U.S. dollars, Sterling, CHF, AUD, CAD, NZD or any other currency subject to compliance with any applicable legal and regulatory requirements.

1.10. Maturity of the Notes:

The tenor of the Notes shall be not less than one day and not more than 364 days from and including the date of issue, subject to compliance with any applicable legal and regulatory requirements.

1.11. Minimum Issuance Amount:

Global Notes and Definitive Notes (if any) shall be issued in the following minimum denominations (or integral multiples thereof):

- (i) for US\$ Notes, US\$500,000; or
- (ii) for euro Notes, €500,000; or
- (iii) for Australian Dollar Notes, AUD1,000,000; or
- (iv) for Canadian Dollar Notes, CAD500,000; or
- (v) for New Zealand Dollar Notes, NZD1,000,000; or
- (vi) for Sterling Notes, £100,000; or
- (vii) for Swiss Franc Notes, CHF500,000, or

such other conventionally accepted denominations in those currencies as may be agreed between the Issuer and the relevant Dealer from time to time, subject in each case to compliance with all applicable legal and regulatory requirements and provided always that:

(A) without prejudice to (B) below, the equivalent of that denomination in Sterling is not less than £100,000; and

(B) in the case of a Note denominated in a currency other than euro or U.S. Dollars, the equivalent in that currency is not less than €500,000, such

amount to be determined by the rate of exchange at the time the Programme is first publicised.

Any offer or sale of Notes must also comply with any applicable selling restrictions including those set out in '5. *Selling Restrictions*' below.

1.12. Minimum Denomination of the Notes:

Global Notes and Definitive Notes (if any) shall be issued in the following minimum denominations (or integral multiples thereof):

- (i) for US\$ Notes, US\$500,000; or
- (ii) for euro Notes, €500,000; or
- (iii) for Australian Dollar Notes, AUD1,000,000; or
- (iv) for Canadian Dollar Notes, CAD500,000; or
- (v) for New Zealand Dollar Notes, NZD1,000,000; or
- (vi) for Sterling Notes, £100,000; or
- (vii) for Swiss Franc Notes, CHF500,000, or

such other conventionally accepted denominations in those currencies as may be agreed between the Issuer and the relevant Dealer from time to time, subject in each case to compliance with all applicable legal and regulatory requirements and provided always that:

- (A) without prejudice to (B) below, the equivalent of that denomination in Sterling is not less than £100,000; and
- (B) in the case of a Note denominated in a currency other than euro or U.S. Dollars, the equivalent in that currency is not less than €500,000, such amount to be determined by the rate of exchange at the time the Programme is first publicised.

Any offer or sale of Notes must also comply with any applicable selling restrictions including those set out in '5. *Selling Restrictions*' below.

1.13. Status of the Notes:

The Issuer's obligations under the Notes will rank at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer other than obligations mandatorily preferred by law applying to companies or credit institutions generally.

1.14. Governing Law that applies to the Notes:

The Notes and any non-contractual obligations arising out of or in connection with them, will be governed by and construed in accordance with English law.

1.15. Listing:

The Notes will not be listed on any stock exchange.

1.16. Settlement System:

Euroclear Bank S.A./N.V., Clearstream Banking, *société anonyme* and/or such other securities clearance and/or

settlement system(s) which:

- (i) is a recognised clearing system in accordance with section 246A of the Taxes Consolidation Act 1997 of Ireland, as amended, (a “**Recognised Clearing System**”);
- (ii) complies, as of the relevant Issue Date, with the STEP Market Convention; and
- (iii) provided such Global Note is intended to be held in a manner that would allow Eurosystem eligibility, is authorised to hold notes as eligible collateral for Eurosystem monetary policy and intra-day credit operations,

in each case as agreed between the Issuer and the relevant Dealer(s) (together, the “**Relevant Clearing Systems**”).

If after the relevant Issue Date, any such system ceases (i) to be a Recognised Clearing System, (ii) to comply with the STEP Market Convention and/or (iii) (in the case of a Global Note intended to be held in a manner that would allow Eurosystem eligibility) to be so authorised, the Issuer and the relevant Dealer(s) may agree that the relevant Notes may be settled through such other system(s) as comply with the STEP Market Convention and/or are so authorised, as the case may be, provided that such other clearing system is a Recognised Clearing System.

1.17. Rating(s) of the Programme

The Programme has been assigned ratings by Standard & Poor’s Credit Market Services Europe Limited (which can be viewed at www.standardandpoors.com) and Fitch Ratings Ltd. (which can be viewed at <http://www.fitchratings.com/gws/en/esp/issr/80359700>).

Ratings can come under review by rating agencies. Investors are invited to refer to the websites of the relevant rating agencies in order to have access to the latest rating.

A 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 relevant rating agency.

1.18. No Guarantee:

Neither this Programme nor any sums payable by the Issuer in respect of the Notes have been guaranteed.

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| 1.19. Deed of Covenant: | Account Holders in the Relevant Clearing Systems will, in respect of Global Notes, have the benefit of a Deed of Covenant dated 16 March 2016 executed by the Issuer (the “ Deed of Covenant ”), copies of which may be inspected during normal business hours at the specified office of the Issuing and Paying Agent. Definitive Notes (if any are printed) will be available in London for collection or for delivery to the Relevant Clearing System. |
| 1.20. Issuing and Paying Agent: | Citibank, N.A. |
| 1.21. Arranger: | UBS Limited |
| 1.22. Dealers: | Allied Irish Banks, p.l.c. Bank of America Merrill Lynch International Limited Barclays Bank PLC Citibank Europe plc, London Branch Credit Suisse Securities (Europe) Limited Goldman Sachs International ING Bank N.V. Nomura International plc The Royal Bank of Scotland plc UBS Limited |
| 1.23. Selling Restrictions: | Offers and sales of Notes and the distribution of this Information Memorandum and other information relating to the Issuer and the Notes are subject to certain restrictions, details of which are set out under ‘5. Selling Restrictions’ below. |
| 1.24. Taxation: | All payments in respect of the Notes shall be made without withholding or deduction for or on the account of any taxes imposed by Ireland, unless such withholding or deduction is required by law. If such withholding or deduction is required by law, the Issuer shall, subject to certain exceptions as set out in the Notes (see ‘6. Form of Multicurrency Global Note’ and ‘7. Form of Multicurrency Definitive Note’ below), be required to pay such additional amounts as shall result in receipt by the holder of such amounts as would have been received by it had no such withholding or deduction been required. |
| 1.25. Contact Details: | Contact: Finbarr Dowling Email: finbarr.m.dowling@aib.ie Telephone: +353 1 641 7804 |
| 1.26. Independent auditors of the Issuer who have audited the amounts of the Issuer’s Annual Report | Deloitte & Touche Chartered Accountants and Statutory Audit Firm Hardwicke House, |

Hatch Street,
Dublin 2, Ireland

2. DESCRIPTION OF THE ISSUER OF THE PROGRAMME

- 2.1. Legal Name:** Allied Irish Banks, p.l.c. (“**AIB**”)
- 2.2. Legal form/Status:** Public limited company.
- 2.3. Date of Incorporation/establishment:** 22 September 1966.
- 2.4. Registered Office or equivalent:** Bankcentre, Ballsbridge, Dublin 4, Ireland.
- 2.5. Registration Number/Place of Registration:** AIB was originally incorporated in Ireland under the Companies Act, 1963 of Ireland but is now incorporated under the Companies Act 2014 of Ireland with registration number 24173.
- 2.6. Issuer’s Mission:** The purpose of the Issuer is, *inter alia*, to carry on the business of banking and to provide and undertake all manner of financial services including borrowing, raising or taking up money; lending or advancing, with or without security, money, securities and property; underwriting and dealing with stocks, funds shares, debenture stocks, bonds, obligations, options, option certificates, securities and investments of all kinds; arranging and entering into transactions on and relating to the capital markets including, without limitation, derivatives transactions of any description; and generally transacting all kinds of business transacted by bankers.
- 2.7. Brief description of current activities:** AIB and its subsidiaries (the “**Group**”) provide a diverse range of banking, financial and related services, principally in the Republic of Ireland (“**Ireland**”) and the United Kingdom (“**UK**”).
- During the 1990’s and early 2000’s, the Group experienced considerable growth, expanding in the UK, the United States of America and Eastern Europe. However, as a result of the global financial crisis and the crisis in the Irish banking sector, both commencing in 2008, the Group underwent significant deleveraging and today operates predominantly in Ireland and the UK.
- Between 2009 and 2011, in response to the crisis in the Irish banking sector, the Irish Government invested approximately €20.7 billion in AIB, in the form of ordinary shares, preference shares, capital contingent notes and capital contributions. As a result, the Irish State, through the Ireland Strategic Investment Fund (“**ISIF**”) and the Minister for Finance of Ireland (the “**Minister**”) owns 99.9 per cent. of the ordinary shares of AIB.
- In July 2011, AIB completed the acquisition of EBS Limited, a significant mortgage provider in the Irish market, for a nominal cash amount. This transaction represented a significant consolidation within the Irish banking sector, resulting in the formation of one of the two pillar banks in Ireland.
- In 2012, AIB made significant progress in restructuring its balance

sheet, having deleveraged €18.2 billion of its non-core assets by 31 December 2012. It also introduced a series of cost reduction programmes, including, in 2012, a voluntary severance scheme and an early retirement scheme.

With effect from 28 March 2013, the Eligible Liabilities Guarantee Scheme, introduced by the Irish Government in 2009 as a stabilisation measure for Irish financial institutions, ended for all new liabilities, reflecting improved and more stable funding conditions. The Central Bank of Ireland conducted a Balance Sheet Assessment /Asset Quality Review, which concluded in November 2013 that the Group was not required to raise additional capital to meet on-going regulatory capital requirements, including the requirement to maintain a core tier 1 capital ratio of 10.5 per cent.

On 7 May 2014, the European Commission approved the restructuring plan under state aid rules. In October 2014, the results of the EU-wide Comprehensive Assessment, a stress-testing exercise conducted by the European Banking Authority and the European Central Bank (in the case of Irish banks, in conjunction with the Central Bank of Ireland), were published. The results of the Comprehensive Assessment confirmed that AIB had capital buffers above minimum requirements under all the stress test assessment scenarios involved.

On 5 March 2015, AIB announced a pre-tax profit of €1.1 billion for the year ended 31 December 2014, its first annual profit since 2008. On the same day, AIB's Board of Directors also announced that the 2015 annual dividend in the amount of €280 million in respect of the 2009 Preference Shares (as defined in 2.8 below) would be paid in cash for the first time.

Following approval by shareholders at an Extraordinary General Meeting held on 16 December 2015 (the "**EGM**"), AIB implemented a capital reorganisation scheme which facilitated the repayment of circa €1.64 billion to the Irish State (see further 2.8 below).

Segmental information

The Group has reorganised its business in 2015 to enable a customer focused, profitable and low risk enterprise which is well positioned to support the economic recovery in Ireland while seeking to generate sustainable shareholder returns. This change focuses on the needs of its customers, so as to combine customer groups with similar needs into franchises able to deliver co-ordinated services. Previously the Group's loan restructuring activity was reported within the Financial Solutions Group segment and has now been integrated back into business as usual. Customers are included in respective segments regardless of the credit quality of the customer.

The Group reported the following key segments in the Half-Yearly Financial Report 2015: Retail & Business Banking ("**RBB**"), Corporate & Institutional Banking ("**CIB**"), AIB UK and Group. Reporting on this segment basis commenced in 2015.

Following further enhancements to the Group structure, Corporate

Ireland (which consists of corporate and property lending) was moved from CIB to RBB, forming a new segment called AIB Ireland. Wholesale Treasury and the International businesses were moved from CIB to Group to form the new segment Group & International. In the Annual Financial Report 2015, the Group reports the following key segments:

- AIB Ireland;
- AIB UK; and
- Group & International.

The years to 31 December 2015, 2014 and 2013 have been presented in the new operating structure. These segments reflect the internal reporting structure which is used by management to assess performance and allocate resources. A description of each segment is set out below as follows:

AIB Ireland

AIB Ireland comprises Personal, Business and Corporate Banking. It is the leading franchise bank across key segments and products in the domestic market and is well positioned for growth. With an integrated customer focussed approach, from product design to distribution, AIB Ireland has over 2.3 million customers. AIB Ireland is divided into the following sub-segments: Retail Ireland, which consists of personal and business, and Corporate Ireland, which, as outlined above, consists of corporate and property lending.

AIB UK

AIB UK comprises of two long established and distinct businesses offering full banking services operating as Allied Irish Bank (GB) in Great Britain and First Trust Bank in Northern Ireland.

Group & International

Group & International includes the businesses outside Ireland and the UK. It also includes wholesale treasury activities, central control and support functions (business and customer services, risk, audit, finance, general counsel, human resources and corporate affairs). Certain overheads related to these activities are managed and reported in the Group & International segment.

Segment allocations

The segments' performance statements include all income and direct costs but exclude certain overheads which are managed centrally and the costs of these are included in Group & International. Funding and liquidity charges are based on each segment's funding requirements and the Group's funding cost profile, which is informed by wholesale and retail funding costs.

Income attributable to capital is allocated to segments based on each segment's capital requirement.

2.8. Capital or equivalent:

On 19 November 2015, AIB successfully completed the issue of €750 million fixed rate resettable subordinated notes (which qualify as tier 2 capital for the purposes of the Capital Requirements Regulation (No. 575/2013) and the Capital Requirements Directive (2013/36/EU)) (together, the "CRD IV") with a maturity of 10 years, with one call option after 5 years and a coupon fixed at 4.125 per cent.

On 26 November 2015, AIB successfully completed the issue of €

500 million fixed rate resettable AT1 perpetual contingent temporary write-down securities, which qualify as alternative tier 1 capital for the purposes of CRD IV. The coupon for the initial fixed rate period until December 2020 has been fixed at 7.375 per cent.

At the EGM, the shareholders of AIB approved all resolutions in respect of the capital re-organisation, enabling the implementation in December 2015 of the following actions under the capital re-organisation:

- *Partial redemption of non-cumulative redeemable preference shares of AIB issued in 2009 (the “2009 Preference Shares”):* 1.36 billion of the 3.5 billion 2009 Preference Shares were redeemed which resulted in the re-payment of €1.7 billion of capital to the Irish State;
- *Conversion of the remainder of the 2009 Preference Shares:* 2.14 billion of the 3.5 billion 2009 Preference Shares were converted into ordinary shares of €0.0025 each resulting in approximately 155.1 billion additional existing ordinary shares of AIB. The redemption and conversion of the 2009 Preference Shares resulted in a net increase of €1.8 billion in fully loaded core tier 1 capital for the purposes of CRD IV;
- *Accrued Dividend:* A dividend of €166 million, representing the accrued dividend on the 3.5 billion of the 2009 Preference Shares in respect of the period from 13 May 2015 (the last dividend payment date) to the date of conversion/redemption of the 2009 Preference Shares was paid to the Irish State (through the National Treasury Management Agency for the ISIF and the Minister) on 17 December 2015;
- *Ordinary share consolidation:* On conversion of 1.36 billion of the 2009 Preference Shares, AIB had approximately 678.6 billion existing ordinary shares in issue. On 18 December 2015, consolidation of the existing ordinary share resulted in shareholders holding one new ordinary share of €0.625 for every 250 existing ordinary shares. AIB has now approximately 2.714 billion new ordinary shares with nominal value of €0.625 each in issue;
- *EBS promissory note redemption:* In conjunction with the partial redemption of the 2009 Preference Shares, the EBS promissory note was redeemed by way of transfer to the Minister at its carrying value on 15 December 2015 plus accrued unpaid interest (in total, €225 million) and subsequently cancelled; and
- *Potential warrant issue:* Potential issue of warrants up to 9.99 per cent. of AIB’s issued ordinary share capital to the Minister for Finance of Ireland at the time of any re-admission of AIB’s ordinary shares to a regulated market.

2.9. List of main shareholders:

Following completion of the capital re-organisation (described in 2.8 above), AIB has 2.714 billion existing ordinary shares in issue. The Irish State (through the ISIF and the Minister) holds 2.711 billion existing ordinary shares representing 99.9 per cent. of the issued share capital of AIB.

| | |
|--|--|
| 2.10. Listing of the shares of the Issuer: | AIB's ordinary shares are traded on the Enterprise Securities Market of the Irish Stock Exchange. |
| 2.11. Composition of governing bodies and supervisory bodies: | <p>As at 16 March 2016, the following are the members of the Board of Directors of the Issuer:</p> <p>Richard Pym (Chairman)</p> <p>Bernard Byrne* (Chief Executive Officer)</p> <p>Mark Bourke* (Chief Financial Officer)</p> <p>Dr. Michael Somers</p> <p>Jim O'Hara</p> <p>Simon Ball</p> <p>Peter Hagan</p> <p>Catherine Woods</p> <p>Tom Foley</p> <p>Helen Normoyle</p> <p>* Executive Directors</p> |
| 2.12. Accounting Method: | The consolidated accounts of the Issuer, which are incorporated by reference in this Information Memorandum, have been prepared in accordance with International Financial Reporting Standards. |
| 2.13. Accounting Year: | Starting on 1 January, ending on 31 December |
| 2.14. Fiscal Year: | Starting on 1 January, ending on 31 December |
| 2.15. Other short term programmes of the Issuer: | <p>As of the date of this Information Memorandum, the Issuer has established:</p> <ul style="list-style-type: none"> • a Programme for the Issuance of Certificates of Deposit (London CDs) established on 13 October 2003. • a Programme for the Issuance of Certificates of Deposit (US CDs) established on 27 July 2004. • a Euro Medium Term Note Programme for an authorised amount of €10 billion. <p>As of the date of this Information Memorandum, the Issuer also guarantees notes issued under a US Commercial Paper Programme for an authorised amount of U.S.\$10 billion, established and issued through Allied Irish Banks North America Inc.</p> |
| 2.16. Ratings of the Issuer: | Rated by Standard & Poor's Credit Market Services Europe Limited and Fitch Ratings Ltd. |

3. INFORMATION CONCERNING THE ISSUER'S REQUEST OF THE STEP LABEL

An application for a STEP label for this Programme will be made to the STEP Secretariat. Information as to whether the STEP label has been granted for this Programme may be made available on the STEP market website (initially www.stepmarket.org). This website is not sponsored by the Issuer and the Issuer is not responsible for its content or availability.

Unless otherwise specified in this Information Memorandum, the expressions "**STEP**", "**STEP Market Convention**", "**STEP label**", "**STEP Secretariat**", and "**STEP market website**" shall have the meaning assigned to them in the Market Convention on Short-Term European Paper dated 25 October 2010 and adopted by the Euribor ACI and the Euribor EBF (as amended from time to time).

4. CERTIFICATION OF INFORMATION

4.1. Persons responsible for the Information Memorandum

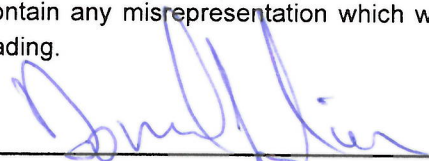
Donal Galvin, Head of Treasury

Finbarr Dowling, Head of Liquidity and Short-Term Funding

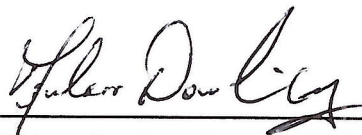
4.2. Declaration of the persons responsible for the Information Memorandum:

To our knowledge, the information contained in this Information Memorandum is true and accurate and does not contain any misrepresentation which would make it misleading.

4.3. Date, Place of signature, Signature:



Donal Galvin, Head of Treasury
16 March 2016
Dublin, Ireland



Finbarr Dowling, Head of Liquidity and Short-Term Funding
16 March 2016
Dublin, Ireland

5. SELLING RESTRICTIONS

1 GENERAL

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

2 UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the Securities Act and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S. 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 or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S.

Each Dealer has also represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has offered and sold the Notes and will offer and sell the Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date (the “**distribution compliance period**”), only in accordance with Rule 903 of Regulation S.

Each Dealer has also agreed (and each further Dealer appointed under the Programme will be required to agree) that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The Notes covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (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 (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in this paragraph have the meanings given to them by Regulation S.

3 THE UNITED KINGDOM

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 only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer were not an “authorised person”, apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

4 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 “**Financial Instruments and Exchange Act**”). Accordingly, 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, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

5 IRELAND

Each Dealer has represented and agreed that it will not offer, sell or deliver any Note to any person in a denomination of less than €500,000 or U.S.\$500,000, or if the relevant Notes are to be denominated in a currency other than euro or U.S.\$, the equivalent in such other currency of €500,000, such amount to be determined by reference to the rate of exchange at the time the Programme is first publicised.

Each of the Dealers, severally and not jointly, has agreed that it will not underwrite or place any Note in or involving Ireland otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland including, without limitation, Regulations 7 and 152 thereof or any regulations or codes of conduct issued in connection therewith.

6. FORM OF MULTICURRENCY BEARER PERMANENT GLOBAL NOTE

THE SECURITIES REPRESENTED BY THIS GLOBAL NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE SECURITIES OF THE TRANCHE OF WHICH THIS SECURITY FORMS PART.

ALLIED IRISH BANKS, p.l.c.

(incorporated with limited liability in Ireland)

acting through its [office in Dublin]/[London branch]

Euro-Commercial Paper Programme

ISIN: [●]

Issue Date:[●]

Maturity Date: [●]

Specified Currency: [●]

Principal Amount: [●]¹

Reference Rate: [●] month Interest Payment Date(s): [●]
LIBOR/EURIBOR/[OTHER]²: [●]

Reference Rate Screen Page:³ [●] Interest Determination Date:⁴ [●]

Relevant Time:⁵ _____ Day Count Fraction:⁶- _____

Fixed Interest Rate: [●]% per annum⁷ Margin: [●]%⁸

Calculation Agent: [AGENT]⁹

¹ The Principal Amount shall be a minimum of €500,000 or U.S. \$500,000 or, in the case of a currency other than euro or U.S. dollars, the equivalent in that other currency of not less than €500,000, such amount to be determined by the rate of exchange at the time the Programme is first publicised. State principal amount in words and figures if a Sterling denominated Note.

² Complete/delete as appropriate.

³ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁴ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁵ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁶ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁷ Complete for fixed rate interest bearing Notes only.

⁸ Complete for floating rate interest bearing Notes only.

⁹ Complete for all floating rate interest bearing Notes.

Intended to be issued in new global note (“NGN”) form: [Yes]/[No] (*delete as applicable*)

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 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. 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.]

(delete as applicable).

1 For value received, **ALLIED IRISH BANKS, p.l.c.** acting through its [office in Dublin]/[London branch] (the “**Issuer**”), promises to pay to the bearer of this Global Note on the Maturity Date the Principal Amount, together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with an amended and restated agency agreement dated 16 March 2016 (as amended, re-stated or supplemented from time to time) between the Issuer and the issuing and paying agent referred to therein, a copy of which is available for inspection at the offices of Citibank, N.A. (the “**Issuing and Paying Agent**”) at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Global Note at the offices of the Issuing and Paying Agent referred to above by transfer to an account denominated in the Specified Currency maintained by the bearer with (i) a bank in the principal financial centre in the country of the Specified Currency or, (ii) if this Global Note is denominated or payable in euro by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union. If this Global Note indicates that it is intended to be issued in NGN form, the Issuer shall procure that details

of each such payment shall be entered *pro rata* in the records of the Relevant Clearing Systems (defined in Condition 2) and in the case of any payment of principal and upon any such entry being made, the principal amount of the Notes recorded in the records of the Relevant Clearing Systems and represented by this Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed.

Notwithstanding the foregoing, presentation and surrender of this Global Note shall be made outside the United States and no amount shall be paid by transfer to an account in the United States, or mailed to an address in the United States. In the case of a Global Note denominated in U.S. dollars, payments shall be made by transfer to an account denominated in U.S. dollars in the principal financial centre of any country outside of the United States that the Issuer or Issuing and Paying Agent so chooses.

- 2** This Global Note is issued in representation of an issue of Notes in the aggregate Principal Amount. If this Global Note indicates that it is intended to be issued in NGN form, the principal amount of Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of each of Euroclear Bank S.A./N.V. ("**Euroclear**"), Clearstream Banking, *société anonyme* ("**Clearstream**") and/or any such other securities clearance and/or settlement system which is a recognised clearing system in accordance with section 246A of the Taxes Consolidation Act 1997 of Ireland, as amended, and is compliant, as of the date on which the Notes represented by this Global Note were issued (the "**Issue Date**"), with the Market Convention on Short-Term European Paper ("**STEP**") dated 25 October 2010 and adopted by the Euribor ACI and the Euribor EBF (as amended from time to time) and, if this Global Note indicates that it is intended to be held in a manner which would allow Eurosystem eligibility, authorised to hold, and then currently holding, this Global Note as eligible collateral for Eurosystem monetary policy and intra-day credit operations, in each case as agreed between the Issuer and the relevant dealer(s) appointed by the Issuer in respect of the issue of this Global Note (each a "**Relevant Clearing System**" and together, the "**Relevant Clearing Systems**"). The records of the Relevant Clearing Systems (which expression in this Global Note means the records that each Relevant Clearing System holds for its customers which reflect the amount of such customer's interest in the Notes (but excluding any interest in the Notes of one Relevant Clearing System shown in the records of the other Relevant Clearing Systems)) shall be conclusive evidence of the principal amount of Notes represented by this Global Note and, for these purposes, a statement issued by a Relevant Clearing System (which statement shall be made available to the bearer of this Global Note upon request) stating the principal amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of such Relevant Clearing System at that time.

If this Global Note indicates that it is not intended to be issued in NGN form, the principal amount of the Notes represented by this Global Note shall be the amount stated in this Global Note as the Principal Amount.

- 3** Save as provided in paragraph 4, payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.
- 4** All payments in respect of this Global Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Ireland and/or in the case of Notes

issued through the London branch of the Issuer, the United Kingdom, or, in any case, any political subdivision or taxing authority of or in any of the foregoing (“**Taxes**”), unless the withholding or deduction of Taxes is required by law. In that event, the Issuer or any agent thereof is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Global Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable where this Global Note is presented for payment:

- (a) by or on behalf of a holder which is liable to such Taxes by reason of its having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Global Note; or
- (b) more than 15 days after the Maturity Date or, if applicable, the relevant Interest Payment Date or (in either case) the date on which payment hereof is duly provided for, whichever occurs later, except to the extent that the holder would have been entitled to such additional amounts if it had presented this Global Note on the last day of such period of 15 days.

Notwithstanding any other provision of the terms and conditions, any amounts to be paid on this Global Note by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

- 5** If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day) and neither the bearer of this Global Note nor the holder or beneficial owner of any interest herein or rights in respect hereof shall be entitled to any interest or other sums in respect of such postponed payment.

As used in this Global Note:

“**Payment Business Day**” means any day other than a Saturday or Sunday which is either (i) if the Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings 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 or Auckland respectively) or (ii) if the Specified Currency is euro, a day which is a TARGET Business Day; and

“**TARGET Business Day**” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System, which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto, (“**TARGET**”) is operating credit or transfer instructions in respect of payments in euro.

Provided that if the Issuing and Paying Agent determines with the agreement of the Issuer that the market practice in respect of euro denominated internationally offered securities is different from that specified above, the above shall be deemed to be amended so as to comply with such market practice and the Issuing and Paying Agent shall procure that a notice of such amendment is published in accordance with paragraph 12(f) not less than 15 days prior to the date on which any payment in euro falls due to be made in such manner as the Issuing and Paying Agent may determine.

- 6 The payment obligation of the Issuer represented by this Global Note constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer other than obligations mandatorily preferred by law applying to companies or credit institutions generally.
- 7 This Global Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof free and clear of any equity, set-off or counterclaim on the part of the Issuer against any previous bearer hereof.
- 8 This Global Note is issued in respect of an issue of Notes of the Issuer and is exchangeable in whole (but not in part only) for duly executed and authenticated bearer Notes in definitive form (whether before, on or, subject as provided below, after the Maturity Date):
 - (a) if one or both of Euroclear and Clearstream, Luxembourg or any other Relevant Clearing System(s) in which this Global Note is held at the relevant time is closed for business for a continuous period of 14 days or more (other than by reason of weekends or public holidays statutory or otherwise) or if any such Relevant Clearing System announces an intention to or does in fact, permanently cease to do business (“**Exchange Event**”); or
 - (b) if default is made in the payment of any amount payable in respect of this Global Note.

Upon presentation and surrender of this Global Note during normal business hours to the Issuer at the offices of the Issuing and Paying Agent (or to any other person or at any other office outside the United States as may be designated in writing by the Issuer to the bearer), the Issuing and Paying Agent shall authenticate and deliver, in exchange for this Global Note, bearer definitive notes denominated in the Specified Currency in an aggregate principal amount equal to the Principal Amount of this Global Note.

- 9 If, upon any such default and following such surrender, definitive Notes are not issued in full exchange for this Global Note before 5.00 p.m. (London time) on the thirtieth day after surrender, this Global Note (including the obligation hereunder to issue definitive notes) will become void and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have under a Deed of Covenant dated 16 March 2016 (as amended, re-stated or supplemented as of the date of issue of the Notes) entered into by the Issuer).

- 10** If this is an interest bearing Global Note, then:
- (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Global Note falling due for payment prior to the Maturity Date remains unpaid on the fifteenth day after falling so due, the Principal Amount shall be payable on such fifteenth day;
 - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Global Note:
 - (i) if this Note indicates that it is intended to be issued in NGN form, details of such payment shall be entered in the records of each Relevant Clearing System; or
 - (ii) if this Note indicates that it is not intended to be issued in NGN form, Schedule 1 hereto shall be duly completed by the Issuing and Paying Agent to reflect such payment, and
 - (c) if no Interest Payment Dates are specified on this Global Note, the Interest Payment Date shall be the Maturity Date.
- 11** If this is a fixed rate interest bearing Global Note, interest shall be calculated on the Principal Amount as follows:
- (a) interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days at the Fixed Interest Rate with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and
 - (b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an “**Interest Period**” for the purposes of this paragraph.
- 12** If this is a floating rate interest bearing Global Note, interest shall be calculated on the Principal Amount as follows:
- (a) in the case of a Global Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the Margin (if any) above or below LIBOR. Interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days.

As used in this Global Note:

“**LIBOR**” shall be equal to the rate defined as “LIBOR-BBA” in respect of the Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Global Note, (the “**ISDA Definitions**”)) as at 11.00 a.m. (London time) or as near thereto

as practicable on the second London Banking Day before the first day of the relevant Interest Period or, if this Global Note is denominated in Sterling, on the first day thereof (a “**LIBOR Interest Determination Date**”), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Note in relation to the Reference Rate; and

“**London Banking Day**” shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;

- (b) in the case of a Global Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the Margin (if any) above or below EURIBOR. Interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Global Note, “**EURIBOR**” shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a “**EURIBOR Interest Determination Date**”), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Global Note in relation to the Reference Rate;

- (c) in the case of a Global Note which specifies any other Reference Rate on its face, the Rate of Interest will be the aggregate of such Reference Rate and the Margin (if any) above or below such Reference Rate. Interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction specified hereon. As used in this Global Note, the Reference Rate shall be equal to the Reference Rate which appears on the relevant Screen Page as at the Relevant Time on the Interest Determination Date as each such term is specified hereon;
- (d) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the “**Amount of Interest**”) for the relevant Interest Period. “**Rate of Interest**” means the rate which is determined in accordance with the provisions of paragraph 12(a), (b) or (c) (as the case may be). The Amount of Interest payable per Note shall be calculated by applying the Rate of Interest to the Principal Amount, multiplying such product by the actual number of days in the Interest Period concerned divided by 360 or, if this Global Note is denominated in Sterling, by 365 or the relevant Day Count Fraction and rounding the resulting figure to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of

the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;

- (e) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an “**Interest Period**” for the purposes of this paragraph; and
- (f) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the clearing system(s) in which this Global Note is held at the relevant time or, if this Global Note has been exchanged for bearer definitive Notes pursuant to paragraph 8, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).

13 On any payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by this Global Note, the Issuer shall procure that:

- (i) if this Global Note indicates that it is intended to be issued in NGN form, details of such payment or purchase and cancellation (as the case may be) shall be entered in the records of each Relevant Clearing System and, upon any such entry being made in the case of a purchase and cancellation, the issue outstanding amount of the Notes recorded in the records of the Relevant Clearing System and represented by this Global Note shall be reduced by the aggregate principal amount of the Notes so purchased and cancelled; or
- (ii) if this Global Note indicates that it is not intended to be issued in NGN form, details of such payment or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in the relevant Schedule to this Global Note (such entry being *prima facie* evidence that the payment or, as the case may be, relevant purchase and cancellation in question has been made) and the relevant notation in the relevant Schedule recording any such payment or, as the case may be, purchase and cancellation shall be signed by or on behalf of the Issuer. Upon any such purchase and cancellation, the principal amount of the Notes represented by this Global Note shall be reduced by the principal amount of the Notes so purchased and cancelled.

14 If the proceeds of this Global Note are accepted in the United Kingdom, the Principal Amount shall be not less than £100,000 (or the equivalent in any other currency).

15 Instructions for payment must be received at the offices of the Issuing and Paying Agent referred to above together with this Global Note as follows:

- (a) if this Global Note is denominated in Australian dollars, New Zealand dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;
- (b) if this Global Note is denominated in United States dollars, Canadian dollars, Swiss francs, euro or Sterling, at least one Business Day prior to the relevant payment date; and
- (c) in all other cases, at least two Business Days prior to the relevant payment date.

As used in this paragraph, “**Business Day**” means:

- (i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
- (ii) in the case of payments in euro, a TARGET Business Day and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency.

16 This Global Note shall not be validly issued unless manually authenticated by the Issuing and Paying Agent and, (i) if this Global Note indicates that it is intended to be issued in NGN form and (ii) if intended to be held in a manner that would allow Eurosystem eligibility, and/or if it is delivered by the Issuing and Paying Agent to the entity appointed as common safekeeper for the Relevant Clearing System(s) (the “**Common Safekeeper**”) by electronic means, effectuated by the Common Safekeeper.

17 This Global Note, and any non-contractual obligations arising out of or in connection with it, are governed by, and shall be construed in accordance with, English law.

The English courts have jurisdiction to settle any dispute arising out of or in connection with this Global Note (including a dispute regarding the existence, validity or termination of this Global Note). The parties to this Global Note agree that the English courts are the most appropriate and convenient courts to settle any such dispute and accordingly no such party will argue to the contrary.

The Issuer agrees that the process by which any proceedings in England are begun may be served on it by being delivered to the London branch of the Issuer at 1st Floor, St Helens, 1 Undershaft, London EC3A 8AB, England, attention: Compliance Manager or at any other address for the time being at which process may be served on it in accordance with Part 37 of the Companies Act 2006 (as modified or re-enacted from time to time). If any person appointed as process agent is unable for any reason to act as agent for service of process, the Issuer will appoint another agent, and failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Issuing and Paying Agent. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings. This paragraph 17 does not affect any other method of service allowed by law.

18 No person shall have any right to enforce any provision of this Global Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19 The Issuer irrevocably and unconditionally agrees, to the extent permitted by applicable law, not to claim on the grounds of sovereignty or otherwise any immunity from (i) proceedings brought by the bearer of this Note against the Issuer in relation to this Note, or, (ii) the giving of any relief or the issue of any process in connection with those proceedings referred to in (i), and waives, to the extent permitted by applicable law, all rights of immunity on the grounds of sovereignty or otherwise in respect of the Issuer or its assets.

Signed on behalf of:

ALLIED IRISH BANKS, p.l.c.

By: _____ By: _____
(Authorised Signatory) (Authorised Signatory)

AUTHENTICATED by:
CITIBANK, N.A.
without recourse, warranty or liability and
for authentication purpose only

By: _____
(Authorised Signatory)

[EFFECTUATED without recourse warranty or liability by
_____, as Common Safekeeper

By: _____
(Authorised Signatory)]

**Schedule 1
Payments of Interest**

The following payments of interest in respect of this Global Note have been made:

Fixed Rate Interest Payments

| Date Made | Payment From | Payment To | Amount Paid | Notation of behalf of Issuing and Paying Agent |
|------------------|---------------------|-------------------|--------------------|---|
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Floating Rate Interest Payments

(First two columns to be completed at time of issue.)

| Period From | To | Date of Payment | Interest Rate per annum | Amount of Interest | Notation on behalf of Issuing and Paying Agent |
|------------------------|-----------|----------------------------|------------------------------------|-------------------------------|---|
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Schedule 2
Principal Amount of This Global Note

Reductions in the principal amount of this Global Note following redemption or the purchase and cancellation of Notes are entered in the second and third columns below:

| Date | Reason for the reduction in the principal amount of this Global Note* | Amount of such reduction | Principal amount of this Global Note following such reduction | Notation on behalf of Issuing and Paying Agent |
|-------------|--|---------------------------------|--|---|
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| | | | | |
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* State whether reduction following (1) redemption of Notes or (2) purchase and cancellation of Notes.

7. FORM OF MULTICURRENCY DEFINITIVE NOTE

(Interest Bearing/Discount)

THE SECURITIES REPRESENTED BY THIS NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION.

ALLIED IRISH BANKS, p.l.c

(incorporated with limited liability in Ireland)

acting through its [office in Dublin]/[London branch]

Euro-Commercial Paper Programme

ISIN: [●]

Issue Date: [●]

Maturity Date: [●]

Specified Currency: [●]

Principal Amount: [●]¹

Reference Rate: [●] month LIBOR/EURIBOR/
[OTHER]²: [●]

Interest Payment Date(s): [●]

Reference Rate Screen Page:³ [●]

Interest Determination Date:⁴ [●]

Relevant Time:⁵ _____

Day Count Fraction:⁶ _____

Fixed Interest Rate: [●]% per annum⁷

Margin: [●]%⁸

Calculation Agent: [AGENT]⁹

(Interest)

1 For value received, **ALLIED IRISH BANKS, p.l.c.** acting through its [office in Dublin]/[London branch] (the "**Issuer**"), promises to pay to the bearer of this Note on the

¹ The Principal Amount shall be a minimum of €500,000 or U.S. \$500,000 or, in the case of a currency other than euro or U.S. dollars, the equivalent in that other currency of not less than €500,000, such amount to be determined by the rate of exchange at the time the Programme is first publicised. State principal amount in words and figures if a Sterling denominated Note.

² Complete/delete as appropriate.

³ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁴ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁵ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁶ Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR or EURIBOR is specified. If the specified Reference Rate is LIBOR or EURIBOR leave blank as these provisions are covered in Condition 12.

⁷ Complete for fixed rate interest bearing Notes only.

⁸ Complete for floating rate interest bearing Notes only.

⁹ Complete for all floating rate interest bearing Notes.

Maturity Date the Principal Amount, together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with an amended and restated agency agreement dated 16 March 2016 (as amended, re-stated or supplemented from time to time) between the Issuer, the issuing and paying agent referred to therein, a copy of which is available for inspection at the offices of Citibank, N.A. (the “**Issuing and Paying Agent**”) at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Note at the offices of the Issuing and Paying Agent referred to above by transfer to an account denominated in the Specified Currency maintained by the bearer with (i) a bank in the principal financial centre in the country of the Specified Currency or, (ii) if this Note is denominated or payable in euro by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union.

Notwithstanding the foregoing, presentation and surrender of this Note shall be made outside the United States and no amount shall be paid by transfer to an account in the United States, or mailed to an address in the United States. In the case of a Note denominated in U.S. dollars, payments shall be made by transfer to an account denominated in U.S. dollars in the principal financial centre of any country outside of the United States that the Issuer or Issuing and Paying Agent so chooses.

- 2 This Note is issued in representation of an issue of Notes in the aggregate Principal Amount.
- 3 Save as provided in paragraph 4, payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.
- 4 All payments in respect of this Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Ireland and/or in the case of Notes issued through the London branch of the Issuer, the United Kingdom, or, in any case, any political subdivision or taxing authority of or in any of the foregoing (“**Taxes**”), unless the withholding or deduction of Taxes is required by law. In that event, the Issuer or any agent thereof is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable where this Note is presented for payment:
 - (a) by or on behalf of a holder which is liable to such Taxes by reason of its having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Note; or
 - (b) more than 15 days after the Maturity Date or, if applicable, the relevant Interest Payment Date or (in either case) the date on which payment hereof is duly

provided for, whichever occurs later, except to the extent that the holder would have been entitled to such additional amounts if it had presented this Note on the last day of such period of 15 days.

Notwithstanding any other provision of the terms and conditions, any amounts to be paid on this Global Note by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "FATCA Withholding"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

- 5** If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the date on which Notes were issued (the "**Issue Date**"), in which case payment shall be made on the immediately preceding Payment Business Day) and neither the bearer of this Note nor the holder or beneficial owner of any interest herein or rights in respect hereof shall be entitled to any interest or other sums in respect of such postponed payment.

As used in this Note:

"**Payment Business Day**" means any day other than a Saturday or Sunday which is either (i) if the Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings 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 or Auckland respectively) or (ii) if the Specified Currency is euro, a day which is a TARGET Business Day; and

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System, which utilises single shared platform and which was launched on 19 November 2007, or any successor thereto ("**TARGET**"), is operating credit or transfer instructions in respect of payments in euro.

Provided that if the Issuing and Paying Agent determines with the agreement of the Issuer that the market practice in respect of euro denominated internationally offered securities is different from that specified above, the above shall be deemed to be amended so as to comply with such market practice and the Issuing and Paying Agent shall procure that a notice of such amendment is published in accordance with paragraph 10(h) not less than 15 days prior to the date on which any payment in euro falls due to be made in such manner as the Issuing and Paying Agent may determine.

- 6** The payment obligation of the Issuer represented by this Note constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer other

than obligations mandatorily preferred by law applying to companies or credit institutions generally.

- 7** This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof free and clear of any equity, set-off or counterclaim on the part of the Issuer against any previous bearer hereof.
- 8** If this is an interest bearing Note, then:
- (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the Maturity Date remains unpaid on the fifteenth day after falling so due, the Principal Amount shall be payable on such fifteenth day;
 - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Note, the Schedule hereto shall be duly completed by the Issuing and Paying Agent to reflect such payment; and
 - (c) if no Interest Payment Dates are specified on this Note, the Interest Payment Date shall be the Maturity Date.
- 9** If this is a fixed rate interest bearing Note, interest shall be calculated on the Principal Amount as follows:
- (a) interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Note is denominated in Sterling, 365 days at the Fixed Interest Rate with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and
 - (b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an “**Interest Period**” for the purposes of this paragraph.
- 10** If this is a floating rate interest bearing Note, interest shall be calculated on the Principal Amount as follows:
- (a) in the case of a Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the Margin (if any) above or below LIBOR. Interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Note is denominated in Sterling, 365 days.

As used in this Note:

“**LIBOR**” shall be equal to the rate defined as “LIBOR-BBA” in respect of the Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this

Note, (the “**ISDA Definitions**”)) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period or, if this Note is denominated in Sterling, on the first day thereof (a “**LIBOR Interest Determination Date**”), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Note in relation to the Reference Rate; and

“**London Banking Day**” shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;

- (b) in the case of a Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the Margin (if any) above or below EURIBOR. Interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Note, “**EURIBOR**” shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a “**EURIBOR Interest Determination Date**”) as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Note in relation to the Reference Rate;

- (c) in the case of a Note which specifies any other Reference Rate on its face, the Rate of Interest will be the aggregate of such Reference Rate and the Margin (if any) above or below such Reference Rate. Interest shall be payable on the Principal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction specified hereon. As used in this Note, the Reference Rate shall be equal to the Reference Rate which appears on the relevant Screen Page as at the Relevant Time on the Interest Determination Date as each such term is specified hereon;
- (d) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date or at the Relevant Time on each other specified Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the “**Amount of Interest**”) for the relevant Interest Period. “**Rate of Interest**” means the rate which is determined in accordance with the provisions of paragraph 10(a), (b) or (c) (as the case may be). The Amount of Interest payable per Note shall be calculated by applying the Rate of Interest to the Principal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 360 or, if this Note is denominated in Sterling, by 365 or the relevant Day Count Fraction and rounding the resulting figure to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of

Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;

- (e) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an “**Interest Period**” for the purposes of this paragraph; and
- (f) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the clearing system(s) in which this Note is held at the relevant time will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).

11 If the proceeds of this Note are accepted in the United Kingdom, the Principal Amount shall be not less than £100,000 (or the equivalent in any other currency).

12 Instructions for payment must be received at the offices of the Issuing and Paying Agent referred to above together with this Note as follows:

- (a) if this Note is denominated in Australian dollars, New Zealand dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;
- (b) if this Note is denominated in United States dollars, Canadian dollars, Swiss francs, euro or Sterling, at least one Business Day prior to the relevant payment date; and
- (c) in all other cases, at least two Business Days prior to the relevant payment date.

As used in this paragraph, “**Business Day**” means:

- (i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
- (ii) in the case of payments in euro, a TARGET Business Day and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency.

13 This Note shall not be validly issued unless manually authenticated by the Issuing and Paying Agent.

14 This Note, and any non-contractual obligations arising out of or in connection with it, are governed by, and shall be construed in accordance with, English law.

The English courts have jurisdiction to settle any dispute arising out of or in connection with this Note (including a dispute regarding the existence, validity or termination of this Note). The parties to this Note agree that the English courts are the most appropriate and convenient courts to settle any such dispute and accordingly no such party will argue to the contrary.

The Issuer agrees that the process by which any proceedings in England are begun may be served on it by being delivered to the London branch of the Issuer at 1st Floor, St Helens, 1 Undershaft, London EC3A 8AB, England, attention: Compliance Manager or at any other address for the time being at which process may be served on it in accordance

with Part 37 of the Companies Act 2006 (as modified or re-enacted from time to time). If any person appointed as process agent is unable for any reason to act as agent for service of process, the Issuer will appoint another agent, and failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Issuing and Paying Agent. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings. This paragraph 17 does not affect any other method of service allowed by law.

- 15** No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.
- 16** The Issuer irrevocably and unconditionally agrees, to the extent permitted by applicable law, not to claim on the grounds of sovereignty or otherwise any immunity from (i) proceedings brought by the bearer of this Note against the Issuer in relation to this Note, or, (ii) the giving of any relief or the issue of any process in connection with those proceedings referred to in (i), and waives, to the extent permitted by applicable law, all rights of immunity on the grounds of sovereignty or otherwise in respect of the Issuer or its assets.

Signed on behalf of:

ALLIED IRISH BANKS, p.l.c.

By: _____
(Authorised Signatory)

By: _____
(Authorised Signatory)

AUTHENTICATED by:

CITIBANK, N.A.

without recourse, warranty or liability and
for authentication purposes only

By: _____
(Authorised Signatory)

**Schedule
Payments of Interest**

The following payments of interest in respect of this Note have been made:

Fixed Rate Interest Payments

| Date Made | Payment From | Payment To | Amount Paid | Notation on behalf of Issuing and Paying Agent |
|------------------|---------------------|-------------------|--------------------|---|
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Floating Rate Interest Payments

(First two columns to be completed at time of issue.)

| Period From | To | Date of Payment | Interest Rate per annum | Amount of Interest | Notation on behalf of Issuing and Paying Agent |
|--------------------|-----------|------------------------|--------------------------------|---------------------------|---|
| | | | | | |
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| | | | | | |

PROGRAMME PARTICIPANTS

ISSUER

ALLIED IRISH BANKS, p.l.c.

Bankcentre, Ballsbridge

Dublin 4

Ireland

Telephone No: + 353 1 641 7858

Facsimile No: + 353 1 679 0477

Attention: The Senior Manager, Wholesale Securities – Global Treasury

LONDON BRANCH OF AIB

1st Floor, St. Helen's

1 Undershaft

London EC3A 8AB

United Kingdom

ARRANGER AND DEALER

UBS LIMITED

1 Finsbury Avenue

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Facsimile No: +44 (0) 20 7336 2002

Attention: ECP Desk

DEALERS

ALLIED IRISH BANKS, p.l.c.

Bankcentre, Ballsbridge

Dublin 4

Ireland

Telephone No: + 353 1 772 4026

Facsimile No: + 353 1 641 3159

Attention: Finbarr Dowling

**BANK OF AMERICA MERRILL LYNCH
INTERNATIONAL LIMITED**

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