

## AIB MORTGAGE BANK

Issue of €10,000,000

Fixed Rate Mortgage Covered Securities due 1 March 2030  
under the €20,000,000,000 Mortgage Covered Securities Programme

**THE SECURITIES (AS DESCRIBED HEREIN) ARE MORTGAGE COVERED SECURITIES ISSUED IN ACCORDANCE WITH THE ASSET COVERED SECURITIES ACT, 2001 (AS AMENDED) OF IRELAND (THE “ACT”). THE ISSUER HAS BEEN REGISTERED BY THE IRISH FINANCIAL SERVICES REGULATORY AUTHORITY (AS PART OF THE CENTRAL BANK AND FINANCIAL SERVICES AUTHORITY OF IRELAND) AS A DESIGNATED MORTGAGE CREDIT INSTITUTION PURSUANT TO THE ACT. THE FINANCIAL OBLIGATIONS OF THE ISSUER UNDER THE SECURITIES ARE SECURED ON THE COVER ASSETS THAT COMPRISE A COVER ASSETS POOL MAINTAINED BY THE ISSUER IN ACCORDANCE WITH THE ACT.**

This document constitutes the Final Terms relating to the issue of Securities described herein.

### PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Securities (the “**Conditions**”) set forth in the Base Prospectus dated 14 September 2009 (the “**Base Prospectus**”) and the supplements to the base prospectus dated 10 December 2009 and 2 February 2010 which together constitute a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the “**Prospectus Directive**”) and relevant Irish laws. The Irish Financial Services Regulatory Authority (the “**Financial Regulator**”) has approved the Base Prospectus under Part 7 of the Prospectus Directive (2003/71/EC) Regulations 2005 (the “**Prospectus Regulations**”) as having been drawn up in accordance with the Prospectus Regulations and Commission Regulation (EC) No. 809/2004 (the “**EU Prospectus Regulation**”). This document (“**Final Terms**”) constitutes the final terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus referred to above. The Base Prospectus and the supplement to the base prospectus are available for viewing during normal business hours at Bankcentre, Ballsbridge, Dublin 4, Ireland and at [www.aibgroup.com](http://www.aibgroup.com) and copies may be obtained from Bankcentre, Ballsbridge, Dublin 4, Ireland.

- |    |  |                               |
|----|--|-------------------------------|
| 1. | (a) Issuer:  | AIB Mortgage Bank             |
|    | (b) Guarantor:   | Not applicable                |
| 2. | (a) Series Number:   | 13                            |
|    | (b) Tranche Number:  | 1                             |
| 3. | Specified Currency<br>or Currencies:                         | euro (€)                      |
| 4. | (a) Aggregate Nominal Amount of Securities:                  |                               |
|    | (i) Series:  | €10,000,000                   |
|    | (ii) Tranche:  | €10,000,000                   |
|    | (b) Specify whether Securities to be admitted<br>to trading: | Yes – Series 13 and Tranche 1 |

5. (a) Issue Price: 98.05 per cent. of the Aggregate Nominal Amount
- (b) Net proceeds: €9,805,000
- (c) Specify whether expenses or taxes will be charged to investors: No.
6. Specified Denominations: €50,000 and integral multiples of €1,000 in excess thereof up to and including €99,000 (subject always to paragraph 31). No Securities in definitive form will be issued with a denomination above €50,000.
7. Issue Date: 1 March 2010
8. Maturity Date: 1 March 2030
9. Extended Maturity Date: Applicable in accordance with the Conditions.
- The Extended Maturity Date is 1 March 2031. In accordance with the Conditions and these Final Terms, if the Issuer fails to redeem the Securities in full on the Maturity Date or within two Business Days thereafter, the maturity of the principal amount outstanding of the Securities will automatically be extended on a monthly basis for up to one year to the Extended Maturity Date without constituting an event of default or giving holders of the Securities any right to accelerate payments on the Securities. In that event, the interest rate payable on and the interest periods and Interest Payment Dates, in respect of, the Securities, will change from those that applied up to the Maturity Date and the Issuer may redeem all or part of the principal amount outstanding of those Securities on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date, all in accordance with the Conditions and these Final Terms. See Conditions 6(h) and 4(d).
10. Interest Commencement Date:
- (i) Period to Maturity Date: 1 March 2010
- (ii) Period from Maturity Date up to Extended Maturity Date: 1 March 2030
11. Interest Basis:
- (i) Period to Maturity Date: 5 per cent. Fixed Rate (further particulars specified below)
- (ii) Period from Maturity Date up to Extended Maturity Date: One month EURIBOR + 1.00 per cent. per annum Floating Rate (further particulars specified below)
12. Redemption/Payment Basis: Redemption at Par

13. Change of Interest or Redemption/Payment Basis: Not applicable, save as indicated in paragraphs 9 and 11 above.
14. Put/Call Options: Investor Put - Not applicable.
- Issuer Call - Not applicable, save as provided for in Condition 6(h).
15. Status of the Securities: The Securities will be direct, unconditional and senior obligations of the Issuer and rank equally with all other mortgage covered securities issued or to be issued by the Issuer. The Securities will qualify as mortgage covered securities for the purposes of the Asset Covered Securities Act, 2001 (as amended) of Ireland.
16. Listing/Admission to Regulated Market: Admission to the Official List of the Irish Stock Exchange and to trading on its regulated market.
17. Method of Distribution: Non-syndicated.

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

18. Fixed Rate Security Provisions:
- (i) To Maturity Date: Applicable.
- (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
- (a) Rate(s) of Interest:
- (i) To Maturity Date: 5 per cent. per annum payable annually in arrear.
- (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
- (b) Interest Payment Date(s):
- (i) To Maturity Date: 1 March in each year, commencing 1 March 2011, up to and including the Maturity Date, adjusted in accordance with the Following Business Day Convention.
- (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
- (c) Fixed Coupon Amount(s):
- (i) To Maturity Date: €2,500 per €50,000 in nominal amount
- (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
- (d) Broken Amount(s):
- (i) To Maturity Date: None.
- (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
- (e) Day Count Fraction:
- (i) To Maturity Date: Actual / Actual (ICMA)

- (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
  - (f) Determination Date(s):
    - (i) To Maturity Date: 1 March in each year (including the Maturity Date)
    - (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
  - (g) Other terms relating to the method of calculating interest for Fixed Rate Securities: None.
- 19. Floating Rate Security Provisions:
  - (i) To Maturity Date: Not applicable.
  - (ii) From Maturity Date up to Extended Maturity Date: Applicable.
  - (a) Interest Period(s)/Specified Interest Payment Dates:
    - (i) To Maturity Date: Not Applicable
    - (ii) From Maturity Date up to Extended Maturity Date:
 

Interest period: The period beginning on (and including) the Interest Commencement Date (1 March 2030) and ending on (but excluding) the first Interest Payment Date (1 April 2030) and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

Specified Interest Payment Dates: the 1st day in each month, commencing 1 April 2030, up to and including the Extended Maturity Date, all subject to adjustment in accordance with the Business Day Convention specified below.
  - (b) Business Day Convention:
    - (i) To Maturity Date: Not applicable.
    - (ii) From Maturity Date up to Extended Maturity Date: Modified Following Business Day Convention.
  - (c) Additional Business Centre(s):
    - (i) To Maturity Date: Not applicable.
    - (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
  - (d) Manner in which the Rate(s) of interest and Interest Amount(s) is to be determined:
    - (i) To Maturity Date: Not applicable.
    - (ii) From Maturity Date up to Extended

	Maturity Date:	Screen Rate Determination.
(e)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Principal Paying Agent):	
	(i) To Maturity Date:	Not applicable
	(ii) From Maturity Date up to Extended Maturity Date:	Principal Paying Agent
(f)	Screen Rate Determination:	
	(i) To Maturity Date:	
	– Reference Rate:	Not applicable.
	– Interest Determination Date(s):	Not applicable.
	– Relevant Screen Page:	Not applicable.
	(ii) From Maturity Date up to Extended Maturity Date:	Applicable.
	– Reference Rate:	One month EURIBOR
	– Interest Determination Date(s):	Second day on which the TARGET2 system is open prior to the start of each Interest Period
	– Relevant Screen Page:	Reuters Page EURIBOR01
(g)	ISDA Determination:	
	(i) To Maturity Date:	Not applicable.
	– Floating Rate Option:	Not applicable.
	– Designated Maturity:	Not applicable.
	– Reset Date:	Not applicable.
	(ii) From Maturity Date up to Extended Maturity Date:	Not applicable.
	– Floating Rate Option:	Not applicable.
	– Designated Maturity:	Not applicable.
	– Reset Date:	Not applicable.
(h)	Margin(s):	
	(i) To Maturity Date:	Not applicable.
	(ii) From Maturity Date up to Extended Maturity Date:	+ 1.00 per cent. per annum
(i)	Minimum Rate of Interest:	
	(i) To Maturity Date:	Not applicable.
	(ii) From Maturity Date up to Extended Maturity Date:	Not applicable.
(j)	Maximum Rate of Interest:	
	(i) To Maturity Date:	Not applicable.

- (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
- (k) Day Count Fraction:
  - (i) To Maturity Date: Not applicable.
  - (ii) From Maturity Date up to Extended Maturity Date: Actual/360.
- (l) Fallback provisions, rounding provisions denominator, and any other terms relating to the method of calculating interest on Floating Rate Securities, if different from those set in the Conditions:
  - (i) To Maturity Date: Not applicable.
  - (ii) From Maturity Date up to Extended Maturity Date: Not applicable.
- 20. Zero Coupon Security Provisions: Not applicable.

**PROVISIONS RELATING TO REDEMPTION**

- 21. Issuer Call: Not applicable, subject to Condition 6(h).
- 22. Investor Put: Not applicable.
- 23. Final Redemption Amount of each Security: €50,000 per Security of €50,000 Specified Denomination

**GENERAL PROVISIONS APPLICABLE TO THE SECURITIES**

- 24. Form of Securities, Issue Procedures and Clearing Systems:
  - Bearer Securities:
  - Temporary Bearer Global Security exchangeable for a Permanent Bearer Global Security which is exchangeable for Definitive Bearer Securities only upon an Exchange Event (see also paragraphs 25 and 31 below).
- 25. New Global Note: Yes.
- 26. Additional Financial Centre(s) or other special provisions relating to Payment Dates: Not applicable.
- 27. Talons for future Coupons or Receipts to be attached to Definitive Bearer Securities (and dates on which such Talons mature): No.
- 28. Details relating to Instalment Securities:
  - (i) Instalment Amount(s): Not applicable.
  - (ii) Instalment Date(s): Not applicable.
- 29. Redenomination applicable: Redenomination not applicable.
- 30. Whether Condition 5(h) applies: Condition 5(h) not applicable.

31. Other final terms or conditions: Notwithstanding paragraph 6 above, if in respect of the Securities definitive Bearer Securities are required to be issued at any time in exchange for a Global Security, definitive Bearer Securities will only be printed and issued in a denomination of €50,000. Under no circumstances will definitive Bearer Securities be printed or issued in respect of a nominal amount of Securities which is less than €50,000 and any holder of Securities, which on the Exchange Date or the other date on which such an exchange is effected on the occurrence of an Exchange Event, holds Securities having a nominal amount which cannot be represented by a definitive Bearer Security with a denomination of at least €50,000 will not be entitled to receive a definitive Bearer Security. The Issuer does not authorise in any circumstances the trading of Securities in a principal or nominal amount of less than €50,000.

#### **DISTRIBUTION**

32. (a) If syndicated, names of Dealers: Not applicable.
- (b) Date of Subscription Agreement: Not applicable.
- (c) Stabilising Dealer (if any): Not applicable.
33. If non-syndicated, name of relevant Dealer: Landesbank Baden-Württemberg  
Am Hauptbahnhof 2  
70173 Stuttgart  
Germany
34. Commission Payable/Selling Concession: Not applicable.
35. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D
36. Additional selling restrictions: None.

#### **LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required to list the issue of Securities described herein pursuant to the €20,000,000,000 Mortgage Covered Securities Programme of AIB Mortgage Bank.

**RESPONSIBILITY**

The Issuer accepts the responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: David Bary,

Duly authorised

David J Kelly,

Duly authorised

Date: 22 February 2010



## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: Irish Stock Exchange.
- (ii) Admission to trading: Application has been made for the Securities to be admitted to trading on the regulated market of the Irish Stock Exchange with effect from 12 February 2010.
- (iii) Estimate of total expenses related to admission to trading €500.00

### 2. RATINGS

- Ratings: The following ratings reflect the ratings allocated to Notes of this type issued under the Programme generally :
- |                   |               |
|-------------------|---------------|
| Standard & Poors: | AAA/Watch Neg |
| Moody's:          | Aaa           |
| Fitch:            | AAA           |

### 3. NOTIFICATION

None.

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

So far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer save as disclosed in the Base Prospectus, as supplemented.

### 5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The Issuer expects to use the net proceeds from the issue of the Securities to support the business of the Issuer permitted by the Act.
- (ii) Estimated net proceeds: €9,805,000
- (iii) Estimated total expenses: Listing fees - €500.

### 6. YIELD (*Fixed Rate Notes only*)

Indication of yield: 5.159 per cent. per annum

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

**7. OPERATIONAL INFORMATION**

- (i) ISIN Code: XS0489775535.
- (ii) Common Code: 048977553
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not applicable
- (iv) Delivery: Delivery against payment
- (v) Names and addresses of initial Paying Agent(s):  
Principal Paying Agent:  
The Bank of New York Mellon,  
One Canada Square, Canary Wharf, London E14 5AL,  
U.K.  
  
Irish Paying Agent and Transfer Agent:  
The Bank of New York Mellon (Ireland) Limited, 4th  
Floor Hanover Building, Windmill Lane, Dublin 2, Ireland
- (vi) Names and addresses of additional Paying Agent(s) (if any): None.
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: Yes.  
Note that the designation “yes” simply means that the Securities are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intraday 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’s eligibility criteria.

**8. SECONDARY MARKET ARRANGEMENTS**

None.