



Bank of Ireland

Bank of Ireland UK Holdings plc

(Incorporated with limited liability in Northern Ireland)

€600,000,000

7.40 per cent. Guaranteed Step-up Callable Perpetual Preferred Securities

having the benefit of a subordinated guarantee of

The Governor and Company of the Bank of Ireland

(Established in Ireland by Charter in 1783, and having limited liability)

Issue price: 99.862 per cent.

UBS Warburg

Cazenove & Co.

Davy Stockbrokers

The €600,000,000 7.40 per cent. Guaranteed Step-up Callable Perpetual Preferred Securities (the "Preferred Securities") of Bank of Ireland UK Holdings plc (the "Issuer"), guaranteed on a subordinated basis (the "Guarantee") to the extent specified herein by The Governor and Company of the Bank of Ireland (the "Bank", "Bank of Ireland" or the "Guarantor"), will bear interest from (and including) 7 March 2001 to (but excluding) 7 March 2011 at a rate of 7.40 per cent. per annum, payable annually in arrear on 7 March in each year, starting 7 March 2002. Thereafter, the Preferred Securities will bear interest at a rate, reset quarterly, of 3.26 per cent. per annum above the Euro-zone interbank offered rate for three month euro deposits, payable quarterly in arrear on 7 March, 7 June, 7 September and 7 December in each year, all as more particularly described in "Terms and Conditions of the Preferred Securities — 5. Coupon Payments". Payments (which term, as defined herein, does not include principal) may be deferred as described in "Terms and Conditions of the Preferred Securities — 4. Deferrals", but neither the Issuer nor the Bank may, whilst any Payments are deferred, declare or pay dividends or distributions on any ordinary or preference shares or stock (as the case may be) or other issued Tier 1 Capital of the Issuer or the Bank or (in the case of the Bank) make any payment under any applicable guarantee in respect of any such dividend or distribution, except for any such dividend or distribution paid by the Issuer to the Bank, any holding company of the Bank or another wholly-owned subsidiary of the Bank.

The Preferred Securities are redeemable in whole or in part at the option of the Issuer on 7 March 2011 or on each Coupon Payment Date (as defined herein) thereafter. In addition, upon the occurrence of certain tax or regulatory events, the Preferred Securities may, subject as provided herein, at the option of the Issuer either (i) be exchanged for, or their terms varied so that they become, Upper Tier 2 Securities (as defined herein), or (ii) be redeemed at, as applicable, their principal amount or the Redemption Price (as defined herein), in either case together with any Outstanding Payments (as defined herein), all as more particularly described in "Terms and Conditions of the Preferred Securities — 8. Exchange, Variation or Redemption".

Under existing Central Bank of Ireland requirements, the Issuer may not redeem or purchase any Preferred Securities unless the Central Bank of Ireland has given its prior consent.

For a description of certain matters that prospective investors should consider, see "Investment Considerations".

Application has been made to list the Preferred Securities on the Luxembourg Stock Exchange. A copy of this Offering Circular has been delivered to the Registrar of Companies in Ireland for registration in accordance with the European Communities (Stock Exchange) Regulations 1984 (as amended) of Ireland.

The Issuer and the Bank accept responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Issuer and the Bank (which have taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

In connection with the issue and sale of the Preferred Securities, no person is authorised to give any information or to make any representation not contained in this document and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Bank, the Managers (as defined in "Subscription and Sale" below) or The Bank of New York, as trustee (the "Trustee"). Neither the delivery of this Offering Circular nor any sale hereunder shall create, under any circumstances, any implication that there has been no change in the affairs of the Issuer or the Bank since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

This Offering Circular is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Bank or the Managers that any recipient of this Offering Circular should purchase any of the Preferred Securities. Each investor contemplating purchasing Preferred Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Bank.

The distribution of this document and the offering or sale of the Preferred Securities in certain jurisdictions may be restricted by law. No action has been taken by the Issuer, the Bank or the Managers which would permit a public offering of the Preferred Securities or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Preferred Securities may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with

any applicable laws and regulations. Persons into whose possession this Offering Circular or the Preferred Securities may come must inform themselves about, and observe, any such restrictions. See “Subscription and Sale” below for a description of certain restrictions on offers, sales and deliveries of the Preferred Securities.

The Preferred Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and comprise Preferred Securities in bearer form that are subject to United States tax law requirements. Subject to certain exceptions, the Preferred Securities may not be sold or delivered, directly or indirectly, within the United States or to U.S. persons.

In this document, all references to “IR£” refer to Irish pounds, those to “£” and “Sterling” refer to pounds sterling and those to “euro” and “€” refer to the single currency of participating member states of the European Union introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended from time to time.

In connection with this issue, UBS AG, acting through its business group UBS Warburg, may over-allot or effect transactions which stabilise or maintain the market price of the Preferred Securities at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.

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Summary

The following summary refers to certain provisions of the Terms and Conditions of the Preferred Securities and the Trust Deed and insofar as it refers to the Terms and Conditions of the Preferred Securities is qualified by the more detailed information contained elsewhere in this document. Defined terms used herein have the meaning given to them in "Terms and Conditions of the Preferred Securities".

Issuer	Bank of Ireland UK Holdings plc
Guarantor	The Governor and Company of the Bank of Ireland
Trustee	The Bank of New York
Issue Size	€600,000,000
Redemption	The Preferred Securities are perpetual securities and have no maturity date. However, the Preferred Securities are redeemable in whole or in part at the option of the Issuer, subject to the prior approval of the Central Bank of Ireland and of the Guarantor, at their principal amount together with any Outstanding Payments on 7 March 2011 (the "First Reset Date") or any Coupon Payment Date thereafter.
Interest	The Preferred Securities bear interest at a rate of 7.40 per cent. per annum to (but excluding) the First Reset Date and thereafter at a rate of three month EURIBOR plus 3.26 per cent. per annum, reset quarterly.
Coupon Payment Dates	Subject as described below, Coupon Payments will be payable on 7 March in each year from (and including) 7 March 2002 to (and including) the First Reset Date, and thereafter, subject to adjustment for non-business days, on 7 March, 7 June, 7 September and 7 December in each year.
Guarantee	The Preferred Securities will be guaranteed on a subordinated basis by the Guarantor. Payments of principal and/or interest in respect of the Preferred Securities will be deemed to be due and payable in full for purposes of the Guarantee notwithstanding that, as a result of the provisions referred to under "Subordination" below, they are not in fact due and payable by the Issuer.
Subordination	<p>The Preferred Securities will be guaranteed, unsecured, subordinated securities of the Issuer. The rights and claims of Holders of the Preferred Securities under the Preferred Securities and the Guarantee will be subordinated to the claims of the Senior Creditors of the Issuer or the Guarantor (as the case may be) in that no payment in respect of the Preferred Securities or the Guarantee shall be due and payable except to the extent that the Issuer or the Guarantor (as applicable) is Solvent and could make such payment and still be Solvent immediately thereafter.</p> <p>Upon any winding-up of the Issuer or of the Guarantor the claims of the Holder of each Preferred Security will rank as set out under "Winding-up Claims" below.</p>
Winding-up claims	In the event of the winding-up of the Issuer or (in respect of claims under the Guarantee) of the Guarantor, the Holders of Preferred Securities will, for the purpose only of calculating the amounts payable by the Issuer or the Guarantor (as the case may be) in respect of each Preferred Security, be treated as if, on the day prior to the commencement of the winding-up and thereafter, they were the holders of preference shares or preference stock having an equal right to a return of the assets of the Issuer or the Guarantor (as the case may be) to, and so ranking <i>pari passu</i> with, the holders of that class or classes of preference shares or preference stock

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(if any) from time to time issued by the Issuer or the Guarantor (as the case may be) which have a preferential right to a return of assets in the winding-up over, and so rank ahead of the holders of, all other classes of the issued shares or stock of the Issuer or the Guarantor (as the case may be) but which rank junior to the claims of Senior Creditors of the Issuer or the Guarantor (as the case may be) and junior to any notional class of preference shares or preference stock in the capital of the Issuer or the Guarantor (as the case may be) by reference to which the amount payable in respect of any subordinated debt in the winding-up of the Issuer or of any Undated Subordinated Debt of the Guarantor in the winding-up of the Guarantor is determined.

Exceptional deferral of payments

If the Issuer determines, prior to the making of a payment (other than a payment in respect of principal) that the Guarantor is, or the making of such payment will result in the Guarantor being, in non-compliance with applicable Capital Regulations, the Issuer is required, subject to the dividend restriction described below, to defer that payment. Such exceptionally deferred payment may be satisfied at any time by the Issuer giving not less than 16 business days notice of such satisfaction, and must, unless the Issuer elects to defer such payment pursuant to its general right to defer referred to below, be satisfied on the next following Coupon Payment Date if, on the 20th business day prior to such Coupon Payment Date, the Guarantor no longer is, and payment of a Coupon Payment will not result in it being, in non-compliance with such applicable Capital Regulations. Exceptionally Deferred Coupon Payments will not accrue interest on the deferred payments.

General deferral of payments

Subject to the dividend restriction described below, the Issuer may elect to defer any payment (other than a payment of principal) on the Preferred Securities for any period of time. However, the deferred payment will bear interest at 2 per cent. per annum above the rate of interest generally applicable to the Preferred Securities as set out under "Interest" above.

Dividend restriction during period of deferral

If the Issuer defers a payment for any reason as described above then, while any payment is so deferred, neither the Issuer nor the Guarantor may declare or pay a dividend or distribution (or, in the case of the Guarantor, make a payment under any guarantee in respect of any such dividend or distribution) on any of their ordinary or preference shares or stock or other issued Tier 1 Capital, as the case may be, other than a dividend or distribution paid by the Issuer to the Guarantor, any holding company of the Guarantor or to another Wholly-Owned Subsidiary of the Guarantor.

Alternative coupon satisfaction mechanism

Investors will always receive payments made in respect of Preferred Securities in cash. However, if the Issuer defers a payment it must, or if and to the extent the Issuer so elects at any time it may, satisfy its obligation to make any payment (other than a payment of principal) to Holders of Preferred Securities by issuing its ordinary shares to the Trustee or its agent. In such event, the Trustee or its agent will exchange such ordinary shares for units of ordinary stock in the Guarantor which, when sold, will provide a cash amount which the Trustee or its agent will pay to the Preferred Security Holders in respect of the relevant payment. The Calculation Agent will calculate in advance the number of units of ordinary stock in the Guarantor to be issued in order to enable the Trustee or its agent to raise the full amount of money due on the relevant payment date to Preferred Security Holders.

Alternative guarantee satisfaction mechanism

If a payment due from the Guarantor pursuant to the Guarantee is in respect of a Payment which has previously been deferred by the Issuer

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	<p>the Guarantor must, and if and to the extent the Guarantor so elects at any time in respect of a payment due from it the Guarantor may, satisfy its obligation to make such payment to Holders of Preferred Securities, by the issue of its ordinary stock to the Trustee or its agent. In such event, the Trustee or its agent will sell such units of ordinary stock for a cash amount which the Trustee or its agent will pay to the Preferred Security Holders in respect of the relevant guarantee payment.</p> <p>The Guarantor has agreed in the Trust Deed that any obligation owed by the Issuer to the Guarantor in respect of payments made under the Guarantee will be satisfied only by the issue of ordinary shares in the Issuer.</p>
Insufficiency	<p>Each of the Issuer and the Guarantor is required to keep available for issue enough shares or stock (as the case may be) as it reasonably considers would be required to satisfy from time to time the next year's Coupon Payment or Payments using the alternative coupon satisfaction mechanism and/or, in the case of the Guarantor, the alternative guarantee satisfaction mechanism described above.</p>
Market Disruption Event	<p>If, in the opinion of the Issuer or, as the case may be, the Guarantor, in each case subject where necessary to determinations made by the Calculation Agent, a Market Disruption Event exists on or after the 15th business day preceding any date upon which it is due to satisfy a payment using the alternative coupon satisfaction mechanism or the alternative guarantee satisfaction mechanism (as the case may be) the relevant payment to Holders of the Preferred Securities may be deferred until the Market Disruption Event no longer exists.</p>
Suspension	<p>If, following any take-over offer or any reorganisation, restructuring or scheme of arrangement, the Guarantor (or any successor ultimate holding company of the Bank of Ireland group of companies) ceases to be the ultimate holding company of the Bank of Ireland group of companies, any changes to the documentation relating to the Preferred Securities (including the Guarantee) determined by an independent investment bank to be appropriate will be made by the Issuer, the Guarantor and the Trustee, and pending such changes the Issuer and the Guarantor will be unable to settle payments using the alternative coupon satisfaction mechanism and/or the alternative guarantee satisfaction mechanism. If the investment bank is unable to determine appropriate amendments, as notified to the Issuer, the Guarantor and the Trustee, the Preferred Securities will (subject to the prior consent of the Central Bank of Ireland) be redeemed at the Redemption Price, together with any Outstanding Payments.</p>
Additional amounts	<p>The Issuer and the Guarantor will pay additional amounts to Holders of the Preferred Securities to gross up Coupon Payments or payments under the Guarantee in respect thereof upon the imposition of UK or Irish withholding tax, subject to customary exceptions.</p>
Exchange, variation or redemption for taxation reasons	<p>Upon the occurrence of certain changes in the treatment of the Preferred Securities for taxation purposes, the Issuer may, subject to the prior consent of the Central Bank of Ireland and of the Guarantor, either (i) redeem the Preferred Securities at their principal amount or (in the circumstances set out herein) at their Redemption Price, in each case together with any Outstanding Payments, or (ii) exchange the Preferred Securities for, or vary the terms of the Preferred Securities so that they become, Upper Tier 2 Securities or, if such change in tax treatment also affects or would affect the Upper Tier 2 Securities and provided the Issuer is Solvent, redeem all, but not some only of the Preferred</p>

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	<p>Securities at their principal amount together with any Outstanding Payments.</p>
Exchange, variation or redemption for regulatory reasons	<p>The Preferred Securities will qualify as Tier 1 Capital for the purposes of the Central Bank of Ireland's capital adequacy regulation of the Guarantor. If at any time the Preferred Securities cease to qualify as Tier 1 Capital, the Issuer may, subject to the prior consent of the Central Bank of Ireland and of the Guarantor either (i) redeem the Preferred Securities at their Redemption Price together with any Outstanding Payments or (ii) exchange the Preferred Securities for, or vary the terms of the Preferred Securities so that they become, Upper Tier 2 Securities or, if either such exchanged or varied securities do not or would not constitute Upper Tier 2 Capital of the Guarantor or a change in tax treatment as referred to under "Exchange, variation or redemption for taxation reasons" above also affects or would affect the Upper Tier 2 Securities, and provided the Issuer is Solvent, redeem all, but not some only, of the Preferred Securities at their principal amount together with any Outstanding Payments.</p>
Remedy for non-payment	<p>The sole remedy against the Issuer or the Guarantor available to the Trustee or any Holder of Preferred Securities for recovery of amounts owing in respect of the Preferred Securities will be the institution of proceedings for the winding-up of the Issuer and/or the Guarantor and/or proving in such winding-up.</p>
Form	<p>Bearer. The Preferred Securities will be represented initially by the Temporary Global Preferred Security, which will be deposited outside the United States with a common depository for Clearstream, Luxembourg and Euroclear on or about 7 March 2001. Interests in the Temporary Global Preferred Security will be exchangeable for interests in the Permanent Global Preferred Security on or after a date which is expected to be 16 April 2001 upon certification as to non-US beneficial ownership as required by US Treasury regulations and as described in the Temporary Global Preferred Security. Save in limited circumstances, Preferred Securities in definitive bearer form with coupons and a talon attached on issue will not be issued in exchange for interests in the Permanent Global Preferred Security.</p>
Listing	<p>Luxembourg.</p>
Rating	<p>The Preferred Securities are expected to be assigned, on issue, a rating of A- by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc. and a rating of "aa3" by Moody's Investors Service, Inc. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.</p>
Governing law	<p>English, except for the provisions relating to (i) the subordination of the Issuer's obligations under the Preferred Securities and the winding-up of the Issuer, and (ii) the subordination of the Guarantor's obligations under the Guarantee and the winding-up of the Guarantor, which are governed by Northern Irish law and Irish law respectively.</p>

Investment Considerations

Prospective investors should carefully consider the following information in conjunction with the other information contained in this document.

1.1 Deferral

The Issuer may defer any Payment (such term does not include principal) on the Preferred Securities for any period of time, and in certain circumstances must defer any Payment, all as more particularly described in “Terms and Conditions of the Preferred Securities — 4. Deferrals”. Any such deferred payment will, unless it is an exceptional deferral as described under “Terms and Conditions of the Preferred Securities — 4. Deferrals — 4(a) Exceptional Deferral of Payments”, bear interest at two per cent. above the rate applicable to the Preferred Securities. During the period of all deferrals, neither the Issuer nor the Bank may declare or pay a dividend or distribution on any of its ordinary or preference shares or stock or other issued Tier 1 Capital or (in the case of the Guarantor) make any payment under a guarantee in respect of any such dividend or distribution except for any dividend or distribution paid by the Issuer to the Bank, any holding company of the Bank or another wholly-owned subsidiary of the Bank.

1.2 Perpetual securities

The Issuer is under no obligation to redeem the Preferred Securities at any time (save, subject to the prior consent of the Central Bank of Ireland, in the particular circumstances referred to in “Terms and Conditions of the Preferred Securities — 9. Payments — Suspension”) and the Holders have no right to call for their redemption.

1.3 Redemption risk

Upon the occurrence of certain specified tax and regulatory events, the Preferred Securities may, at the option of the Issuer, either (i) be exchanged for, or their terms varied so that they become, Upper Tier 2 Securities or (ii) be redeemed at, as applicable, their principal amount or the Redemption Price, in each case together with any Outstanding Payments, subject as provided in “Terms and Conditions of the Preferred Securities — 8. Exchange, Variation or Redemption — (c) Exchange, Variation or Redemption due to Taxation and — (d) Exchange, Variation or Redemption for Regulatory Purposes”.

1.4 Subordination

1.4.1 In the event of a winding-up of the Issuer, the claims of the holders of the Preferred Securities will rank for payment:

- (a) after the claims of unsubordinated creditors have been met in full;
- (b) after payment in full of amounts owing to creditors whose claims are or are expressed to be subordinated to those claims described in (a) above but not further or otherwise;
- (c) after payment in full of amounts owing to creditors whose claims are or are expressed to be subordinated to the claims of other creditors of the Issuer, whether subordinated or unsubordinated, including, in the winding-up of the Issuer, amounts owing to holders of any notional class of preference shares in the capital of the Issuer by reference to which the amount payable in respect of any subordinated debt in the winding-up of the Issuer is determined; and
- (d) *pari passu* with the holders of that class or classes of preference shares (if any) from time to time issued by the Issuer which have a preferential right to a return of assets in a winding-up of the Issuer and thus rank for payment ahead of the holders of other classes of issued shares in the capital of the Issuer (but excluding any notional class of preference shares in the capital of the Issuer as described in sub-paragraph (c) above).

1.4.2 In the event of a winding-up of the Bank, the claims of the holders of the Preferred Securities under the Guarantee will rank for payment:

- (a) after the claims of depositors and other unsubordinated creditors have been met in full;

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- (b) after payment in full of amounts owing to creditors whose claims are or are expressed to be subordinated to those claims described in (a) above including the holders of the Dated Subordinated Debt (as defined in “Terms and Conditions of the Preferred Securities — 22. Definitions”) but not further or otherwise;
- (c) after payment in full of amounts owing to creditors whose claims are or are expressed to be subordinated to the claims of other creditors of the Guarantor, whether subordinated or unsubordinated, including, in the winding-up of the Guarantor, amounts owing to the holders of any notional class of preference stock in the capital of the Guarantor by reference to which the amount payable in respect of any subordinated debt in the winding-up of the Guarantor is determined, and including the holders of the Undated Subordinated Notes (as defined in “Terms and Conditions of the Preferred Securities – 22. Definitions”); and
- (d) *pari passu* with the holders of that class or classes of preference stock (if any) from time to time issued by the Guarantor which have a preferential right to a return of assets in a winding-up of the Guarantor and thus rank for payment ahead of the holders of other classes of issued stock in the capital of the Guarantor (but excluding any notional class of preference stock in the capital of the Guarantor as described in sub-paragraph (c) above).

1.5 No limitation on issuing debt

There is no restriction:

- (a) on the amount of debt which the Issuer or the Bank may issue which ranks senior to the Preferred Securities or senior to the obligations of the Bank under the Guarantee or on the amount either of securities which the Issuer or the Bank may issue or of guarantees which may be given by the Bank in respect of any such securities which rank *pari passu* with the Preferred Securities or with the obligations of the Bank under the Guarantee; or
- (b) on the issue of preference stock by the Bank ranking *pari passu* with or junior to the Preferred Securities.

The issue of any such debt, securities or preference stock or the giving of any such guarantee may reduce the amount recoverable by Holders on a winding-up of the Issuer or the Bank or may increase the likelihood of a deferral of Payments under the Preferred Securities.

1.6 Availability of shares and stock

If the Issuer is to satisfy a payment using the alternative coupon satisfaction mechanism or the Bank is to satisfy a payment under the Guarantee using the alternative guarantee satisfaction mechanism and insufficient Issuer Shares and/or units of Ordinary Stock (each as defined in “Terms and Conditions of the Preferred Securities — 22. Definitions”) are available, then the Issuer’s or the Bank’s payment obligation (as applicable) shall be suspended to the extent of such insufficiency and shall, other than in respect of Exceptionally Deferred Coupon Payments, bear interest at the applicable rate set out herein until such time as sufficient Issuer Shares and/or units of Ordinary Stock are available to satisfy all or part of the suspended payment obligation, as more particularly described in “Terms and Conditions of the Preferred Securities — 6. Alternative Coupon Satisfaction Mechanism — (d) Insufficiency and 7. Alternative Guarantee Satisfaction Mechanism — (d) Insufficiency”.

1.7 Market Disruption Event

If the Issuer is to satisfy a payment using the alternative coupon satisfaction mechanism or the Bank is to satisfy a payment under the Guarantee using the alternative guarantee satisfaction mechanism, and a Market Disruption Event exists in the opinion of the Issuer or Bank (as applicable), the payment to Holders may be deferred until the cessation of such market disruption, as more particularly described in “Terms and Conditions of the Preferred Securities — 6. Alternative Coupon Satisfaction Mechanism — (e) Market Disruption and 7. Alternative Guarantee Satisfaction Mechanism — (e) Market Disruption”. During a Market Disruption Event, interest shall not accrue on such deferred payment unless the Market Disruption Event continues for a period of 14 days or more from the due date, in which case interest shall accrue from the due date at the applicable rate set out herein.

1.8 Restricted remedy for non-payment

The sole remedy against the Issuer or the Bank available to the Trustee or any Holder for recovery of amounts owing in respect of any Payment or principal in respect of the Preferred Securities will be the institution of proceedings for the winding-up of the Issuer and/or the Bank (in the case of the Issuer in Northern Ireland and in the case of the Bank in Ireland, but not elsewhere) and/or proving in such winding-up.

1.9 Absence of prior public markets

The Preferred Securities constitute a new issue of securities by the Issuer. Prior to this issue, there will have been no public market for the Preferred Securities. Although application has been made for the Preferred Securities to be listed on the Luxembourg Stock Exchange, there can be no assurance that an active public market for the Preferred Securities will develop and, if such a market were to develop, the Managers are under no obligation to maintain such a market. The liquidity and the market prices for the Preferred Securities can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer and/or the Bank and other factors that generally influence the market prices of securities.