

## RULES OF THE CREDIT INSTITUTIONS (ELIGIBLE LIABILITIES GUARANTEE) SCHEME 2009

### 1. General

- 1.1 On 9 December 2009, the Scheme came into effect pursuant to section 6(4) of the Act.
- 1.2 These are the rules specified by the Guarantor as applying to the Scheme and in force on 26 February 2013.
- 1.3 Each Participating Institution has agreed in its Eligible Liabilities Guarantee Scheme Agreement to observe and perform its obligations under these Rules and these Rules therefore form an agreement between the Guarantor and each Participating Institution.
- 1.4 The Guarantor has delegated the operation of the Scheme to the Scheme Operator pursuant to paragraph 7 of the schedule to the Scheme.

### 2. Definitions

- 2.1 In these Rules the following expressions have the following meanings save where otherwise indicated:

**Applicant** means the Participating Institution making an Application for an Eligible Liability Guarantee Certificate to be issued in respect of one or more Eligible Liabilities and/or Eligible Programmes;

**Application** means an application made under Rule 4.1 for a Eligible Liability Guarantee Certificate to be issued in respect of one or more Eligible Liabilities and/or Eligible Programmes;

**Business Day** means a day (excluding Saturday and Sunday) on which banks are generally open in Dublin for the transaction of banking business;

**Commencement Date** means 9 December 2009;

**Counter-Indemnity** means each deed of counter-indemnity, substantially in the form set out in Annex 5, including where applicable a counter-indemnity requested by the Scheme Operator pursuant to Rule 7;

<b>Currency Business Day</b>	means: <ul style="list-style-type: none"> <li>(i) in the case of euro, a day on which TARGET 2 (the Trans-European Automated Real-Time Gross Settlement Express Transfer System) (or any successor thereto) is operating; and</li> <li>(ii) in the case of a currency other than euro, a day (excluding Saturday and Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency;</li> </ul>
<b>Eligibility Criteria</b>	means, in respect of Eligible Liabilities, the criteria set out in paragraphs 11.1 to 11.3 (inclusive) of the schedule to the Scheme;
<b>Eligible Institution</b>	means a systemically important and solvent credit institution or a subsidiary of such a credit institution (including any Irish subsidiary of a credit institution authorised in another Member State) which the Guarantor specifies or has already specified by order under section 6(1) of the Act in the exercise of his or her powers under that Act as requiring financial support and fulfilling the objectives of the Act;
<b>Eligible Liabilities</b>	means any of the liabilities described in paragraphs 11.1 to 11.3 (inclusive) of the schedule to the Scheme;
<b>Eligible Liability Guarantee Certificate</b>	means a certificate substantially in the form set out in Annex 4 issued or to be issued by the Scheme Operator in accordance with these Rules and the Scheme;
<b>Eligible Programme</b>	means a Programme for the issuance of Eligible Liabilities;
<b>Fee</b>	means a fee specified by the Guarantor and payable to the Scheme Operator on a Payment Date in accordance with Rule 8;
<b>Final Application Date</b>	means 28 March 2013;

<b>Guaranteed Deposit</b>	means a deposit of a Participating Institution which is guaranteed under the Scheme;
<b>Guaranteed CP/CD Programme</b>	means a Guaranteed Programme for the issuance only of commercial paper and/or certificates of deposit and/or similar senior unsecured short-dated debt securities;
<b>Guarantee Expiry Date</b>	means midnight on 28 March 2018 or such other date upon which the Scheme expires pursuant to its terms;
<b>Guarantor</b>	means the Minister for Finance;
<b>Issuance Period</b>	means the period described in paragraph 11.1(c)(i) of the schedule to the Scheme;
<b>Participating Institution Certificate</b>	means a certificate substantially in the form set out in Annex 2 issued or to be issued in accordance with these Rules and the Scheme to an institution confirming that it is a Participating Institution;
<b>Payment Date</b>	means the 8th Business Day of each January, April, July and October;
<b>Quarter</b>	means each quarterly period commencing on the first day of each January, April, July and October and ending on the day preceding the first day of the next Quarter;
<b>Retail Deposit</b>	means a deposit that is an eligible deposit within the meaning given by the European Communities (Deposit Guarantee Schemes) Regulations 1995 (S.I. No. 168 of 1995) and which does not exceed €1,000,000;
<b>Rules</b>	means these rules as amended and supplemented and in force from time to time and reference to a “ <b>Rule</b> ” shall be to the correspondingly numbered rule contained herein; and
<b>Scheme</b>	means the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 (S.I. 490 of 2009) (as amended).

2.2 Unless otherwise defined in these Rules, words and expressions defined in the Scheme or the Act shall have the same meanings where used in these Rules.

2.3 Headings in these Rules are for ease of reference only and shall not be used when interpreting or construing these Rules.

2.4 These Rules shall be interpreted and construed in accordance with the Act and the Scheme.

2.5 Save where otherwise indicated, a reference in these Rules to:

- (i) an “**Annex**” is to an annex to these Rules
- (ii) any statute (including the Act) or to the Scheme in these Rules shall be to the statute or to the Scheme as amended or replaced from time to time;
- (iii) any party includes its successors in title and permitted assigns;
- (iv) a “**person**” includes any individual, firm, body corporate, association or partnership, government or state or agency of a state, local authority or government body or any joint venture association or partnership (whether or not having a separate legal personality);
- (v) “**writing**” or similar expressions includes, unless otherwise specified, transmission by facsimile;
- (vi) the singular includes the plural and vice versa and references to one gender include all genders;
- (vii) “**day**” or a “**Business Day**” shall mean a period of twenty-four (24) hours running from midnight to midnight; and
- (viii) any document referred to in these Rules is a reference to that document as amended, varied, notated or supplemented at any time.

### 3. **Application to join the Scheme**

- 3.1 An Eligible Institution may apply in writing to the Guarantor for a Participating Institution Certificate:
  - (a) within sixty (60) days of the Commencement Date if it is a Covered Institution; or
  - (b) at any time prior to or during the Issuance Period if it is not a Covered Institution.
- 3.2 An application for a Participating Institution Certificate shall include the following:
  - (a) a duly completed application in the form set out in Annex 1;
  - (b) two originals of an Eligible Liabilities Guarantee Scheme Agreement executed by the applicant Eligible Institution;
  - (c) a legal opinion from external legal advisors in form and substance satisfactory to the Guarantor in respect of the execution of such Eligible Liabilities Guarantee Scheme Agreement; and
  - (d) evidence satisfactory to the Guarantor of the authority of the signatories of the application.
- 3.3 The Guarantor may request such further information as it considers necessary for the purpose of reviewing an application.
- 3.4 Upon the approval of an application by the Guarantor, the Guarantor shall instruct the Scheme Operator to issue a Participating Institution Certificate to the relevant

Eligible Institution substantially in the form of Annex 2 after which, subject to the terms of the Scheme, it will be a Participating Institution.

**4. Applications for Eligible Liability Guarantee Certificates**

- 4.1 A Participating Institution may, at any time during the Issuance Period, apply for an Eligible Liability Guarantee Certificate in respect of one or more Eligible Liabilities and/or Eligible Programmes.
- 4.2 An Application for an Eligible Liability Guarantee Certificate must be made in the form set out in Annex 3 or such other form as may be specified by the Scheme Operator.
- 4.3 Unless otherwise agreed by the Scheme Operator, the signed Application must be delivered by hand to the Scheme Operator on a Business Day.
- 4.4 An Application for an Eligible Liability Guarantee Certificate in respect of an Eligible Liability or an Eligible Programme must be delivered to the Scheme Operator on or before the last day of the Issuance Period together with:
  - (a) all appropriate information and documentation relating to the Eligible Liabilities and Eligible Programmes for which the Application is being made (including, without limitation, the terms and conditions, term sheet, offering memorandum and any other documents that may be considered by the Scheme Operator necessary to assess the nature of the Eligible Liabilities);
  - (b) a copy of one or more legal opinions in form and substance satisfactory to the Scheme Operator in respect of the valid, binding and enforceable nature of the obligations to be contained in the Eligible Liabilities and/or the Eligible Programmes, provided that where the Eligible Liability is to be issued under a Programme, the legal opinion may take the form of the most recent legal opinion issued to the arranger(s) of the Programme in connection with the establishment or (as the case may be) update of the Programme; and
  - (c) evidence, satisfactory to the Scheme Operator, of the authority of the signatories of the Application.

The Scheme Operator shall be under no obligation to review all or any part of the information or documentation provided to it pursuant to this paragraph 4.4 or any other part of these Rules and shall be entitled to rely without enquiry on the accuracy of any such information or documentation.

- 4.5 The Scheme Operator may: (i) in its absolute discretion, waive any of the requirements provided for in Rule 4.4; or (ii) request such further information as it considers necessary for the purpose of reviewing the Application.
- 4.6 An Application which is, in the sole determination of the Scheme Operator, incomplete or incorrect, may be rejected and returned to the Applicant by the Scheme Operator and shall not constitute a valid Application.
- 4.7 Without prejudice to Rule 6.1, a Participating Institution must consult the Scheme Operator in advance on a timely basis prior to the submission of an Application to the Scheme Operator with respect to:

- (a) otherwise than in the case of Eligible Programmes, the proposed terms and conditions of any Eligible Liabilities for which an application under this Rule 4 will be made including as to the proposed pricing, appointment of managers and proposed timing of the promotion and marketing of such securities;
  - (b) otherwise than in the case of Eligible Programmes, the proposed date of the launch and issue by the Participating Institution of any Eligible Liabilities for which an Application under this Rule 4 will be made; and
  - (c) in the case of Eligible Programmes, the proposed terms of any Eligible Programme, including the proposed arrangers, initial dealers, proposed date of launch, maximum programme limit and the types of Eligible Liabilities which may be issued under such Eligible Programme.
- 4.8 During any consultation referred to in Rule 4.7, a Participating Institution and the Scheme Operator may agree a timeline for the issuance of an Eligible Liability Guarantee Certificate and in advance of issue of the documents referred to in Rule 4.4 the Scheme Operator may agree in principle that an Eligible Liability Guarantee Certificate will be issued subject to conditions imposed by the Scheme Operator as appropriate and without prejudice to the right of the Scheme Operator to refuse to issue an Eligible Liability Guarantee Certificate.
- 4.9 Rules 4.1 to 4.8 shall not apply in respect of deposits.

## 5. **Issue of Eligible Liability Guarantee Certificates and Issuance of Guaranteed Liabilities**

- 5.1 The decision to issue an Eligible Liability Guarantee Certificate shall be at the sole discretion of the Scheme Operator, to be exercised in accordance with the requirements of these Rules and the Scheme.
- 5.2 Eligible Liability Guarantee Certificates issued by the Scheme Operator shall be substantially in the form of Annex 4.
- 5.3 Prior to issuing any Eligible Liability Guarantee Certificate, the Scheme Operator (i) shall take account of the smooth and orderly operation and integrity of the market for Eligible Liabilities and securities issued or guaranteed by the State and, in particular, shall take account of the issuances and any planned issuances of debt securities by all Participating Institutions, by the Scheme Operator and by the State and the then current level of Guaranteed Liabilities of a particular Participating Institution and (ii) may, in its absolute discretion, apply a cap to the amount of Guaranteed Liabilities to be issued by any particular Participating Institution. The Scheme Operator may arrange for regular meetings with the Participating Institutions in respect of any of the foregoing.
- 5.4 In exercising its discretion to issue an Eligible Liability Guarantee Certificate the Scheme Operator shall take into account, *inter alia*, the terms of the relevant Eligible Liability and its nature and complexity, including whether it meets the Eligibility Criteria.
- 5.5 The Guarantor shall, as a condition to the issue of an Eligible Liability Guarantee Certificate, be entitled to require the making of any amendment or supplement to an Eligible Liabilities Guarantee Scheme Agreement which has previously been delivered to it, and the delivery to it of a further legal opinion of the kind referred to in Rule 4.4(b) in respect thereof.

- 5.6 Without the prior consent of the Scheme Operator, Participating Institutions must not issue an Eligible Liability in respect of which an Eligible Liability Guarantee Certificate has been issued which differs in any respect from the particulars of the Eligible Liability specified in the relevant Eligible Liability Guarantee Certificate or in any particulars provided pursuant to Rule 4.4(a) or Rule 4.5(ii).
- 5.7 Subject to Rule 5.8, Eligible Liabilities must be incurred by a relevant Participating Institution on or after the Commencement Date and on or before the Final Application Date.
- 5.8 The issue of an Eligible Liability or the first issuance under a Guaranteed Programme must occur within 30 days of the date of the relevant Eligible Liability Guarantee Certificate, unless the Scheme Operator agrees otherwise.
- 5.9 Notwithstanding Rule 5.1, the Scheme Operator will not issue any Eligible Liability Guarantee Certificates in respect of any Eligible Liabilities or Eligible Programmes of any particular Participating Institution if so instructed by the Guarantor.
- 5.10 Where the Scheme Operator approves or consents to changes to the terms and conditions of a Guaranteed Liability or a Guaranteed Programme in accordance with Rule 6 and such changes require changes to the relevant Eligible Liability Guarantee Certificate, the Scheme Operator shall replace the existing Eligible Liability Guarantee Certificate with a new Eligible Liability Guarantee Certificate reflecting such changes.
- 5.11 Rules 5.1 to 5.10 shall not apply in respect of deposits.

**6. Reporting, Consultation and Undertakings**

- 6.1 Each Participating Institution must consult on a regular basis with, and/or at the request of, the Scheme Operator in relation to any proposal(s) by it or any member of its corporate group to issue Eligible Liabilities.
- 6.2 A Participating Institution must, in respect of each Guaranteed Liability issued, (including any Guaranteed Liability issued under a Guaranteed Programme), by close of business on the date it contracts to enter into such issue, notify the Scheme Operator in writing (including by email) of the following details in respect of such Guaranteed Liability as appropriate:
- (a) the ISIN (if any);
  - (b) the currency(ies);
  - (c) the principal amount;
  - (d) the scheduled maturity date;
  - (e) any investor put or early redemption dates;
  - (f) the confirmed date of issue;
  - (g) in the case of a fixed rate Guaranteed Liability, the interest rate and the default interest rate (if any);

- (h) in the case of a floating rate Guaranteed Liability, the margin, the default interest rate (if any) and the source of the reference rate;
  - (i) in the case of a zero coupon Guaranteed Liability, the actual gross proceeds of issuance;
  - (j) the interest payment dates (if any);
  - (k) in the case of a Guaranteed Liability under a Guaranteed Programme, such details of the Guaranteed Programme as are sufficient to identify the Guaranteed Programme; and
  - (l) any other details which the Scheme Operator may reasonably request, including grace periods for payment.
- 6.3 The Scheme Operator may: (i) in its absolute discretion, waive any of the requirements provided for in Rule 6.2; or (ii) request such further information as it considers necessary in the context of a particular Guaranteed Liability.
- 6.4 Without prejudice to Rule 6.2, each Participating Institution must, no later than 5.00 p.m. on each Business Day or as soon thereafter as agreed with the Scheme Operator, notify the Scheme Operator of the principal amount outstanding under any Guaranteed Programme, in writing. Notice to the Scheme Operator at its designated email address (see Rule 12.1(b)) shall constitute written notification for the purposes of this Rule 6.4.
- 6.5 Each Participating Institution must, no later than 5.00 p.m. on each Business Day or as soon thereafter as agreed with the Scheme Operator, notify the Scheme Operator of the total amount of its Guaranteed Deposits, in writing. Notice to the Scheme Operator at its designated email address (as set out in Rule 12.1(b)) shall constitute written notification for the purposes of this Rule 6.5.
- 6.6 Each Participating Institution must, without delay, notify the Scheme Operator of any material change or proposed material change in the structure of the corporate group to which the Participating Institution belongs.
- 6.7 A Participating Institution shall not trigger or permit early redemption of a Guaranteed Liability, either in full or in part, ahead of the scheduled maturity date of the Guaranteed Liability, without the prior approval of the Scheme Operator. The foregoing is without prejudice to any right of a holder of a Guaranteed Liability to require a Participating Institution to act pursuant to a put option or redemption or buy-back of that Guaranteed Liability (where such right is confirmed within the terms of such Guaranteed Liability). In addition, the foregoing is without prejudice to any right of a holder of a Guaranteed Liability to require a Participating Institution to redeem or buy-back that Guaranteed Liability (where such right is confirmed within the terms of such Guaranteed Liability).
- 6.8 A Participating Institution shall not increase the maximum principal amount of issuance under any Guaranteed Programme: (i) without the prior written consent of the Scheme Operator; and (ii) before a new Eligible Liability Guarantee Certificate is issued by the Scheme Operator under Rule 5.10.
- 6.9 A Participating Institution shall not agree to any amendment to any of the terms and conditions of any Guaranteed Liability or the terms and conditions of any Guaranteed Programme or to any waiver of any breach of such terms and conditions without the



prior written consent of the Scheme Operator. A Participating Institution shall consult with the Scheme Operator on a timely basis in advance of any such proposed amendment or waiver.

- 6.10 A Participating Institution shall immediately notify the Scheme Operator on the occurrence of any event of default (howsoever described) or any potential or likely occurrence of an event of default or if it has reason to believe an event of default may occur in the future in respect of any Guaranteed Liability and shall consult with or take whatever steps required of it by the Scheme Operator to avoid the occurrence of, or to cure as soon as possible, any such event of default. Without prejudice to the foregoing, a Participating Institution must notify the Scheme Operator at least five (5) days prior to any payment date in respect of a Guaranteed Liability if such Participating Institution is of the view that it may not, or will not, be able to pay any amounts due on such payment date.
- 6.11 A Participating Institution shall immediately notify the Scheme Operator in respect of any event or potential event or any new information which may have a material impact on any of its Guaranteed Liabilities.
- 6.12 A Participating Institution shall comply with issuance limits or other conditions (including limits as to the maximum principal amount of issuance of Eligible Liabilities and restrictions as to permitted currencies) in relation to Guaranteed Programmes as notified to it by the Scheme Operator from time to time. A Participating Institution shall be responsible for monitoring compliance with such issuance limits or other conditions.
- 6.13 Rules 6.1 to 6.4, Rules 6.7 to 6.9 and Rule 6.12 shall not apply in respect of deposits.

## 7. **Additional Counter - Indemnity**

A Participating Institution shall, if so requested by the Scheme Operator at its sole discretion, procure that any one or more members of the corporate group of which the Participating Institution is a member becomes an additional counter-indemnitor(s) by executing a Counter-Indemnity and, if required by the Scheme Operator, an Eligible Liabilities Guarantee Scheme Agreement, and submitting a legal opinion in a form and substance satisfactory to the Scheme Operator. In such cases, the liability of the Participating Institution and the additional counter-indemnitor(s) shall be expressed to be joint and several under the Counter-Indemnity and the Eligible Liabilities Guarantee Scheme Agreement executed by the Participating Institution and the form of the Counter-Indemnity in Annex 5 and any existing Eligible Liabilities Guarantee Scheme Agreement shall be modified accordingly, all as required by the Scheme Operator.

## 8. **Fees**

- 8.1 Under the Scheme, the Guarantor shall charge a fee in respect of each Guaranteed Liability (each a “**Fee**” and together the “**Fees**”).
- 8.2 Each Participating Institution shall pay the Fees applicable to it to the Scheme Operator (on behalf of the Guarantor).
- 8.3 Each Participating Institution is responsible for calculating the Fees payable by it and shall take all practicable steps to ensure that it calculates correctly the amount of Fees payable by it and shall immediately notify the Scheme Operator if it becomes aware that this is not, or may not, be the case. The Fees shall be calculated and shall be due

and payable in accordance with the Scheme and these Rules. The level of Fees is set out in Annex 7.

- 8.4 An additional sum may be charged by the Guarantor, and shall be paid by each Participating Institution to the Scheme Operator on behalf of the Guarantor, in relation to any non-euro denominated Guaranteed Liability.
- 8.5 The Fees shall be payable to the Scheme Operator in the currency in which the relevant Guaranteed Liability is denominated or such other currency as may be agreed with the Scheme Operator.
- 8.6 Save in respect of Guaranteed Liabilities issued under Guaranteed CP/CD Programmes with a maturity of less than one year and Guaranteed Deposits with a maturity of less than one year, each Fee shall accrue on the principal amount outstanding (including accrued interest) under each Guaranteed Liability on an actual/actual basis over the period commencing on (and including) the date the Guaranteed Liability was incurred and ending on the last day of the relevant Quarter and, thereafter, from (and including) the first day of the next Quarter to the last day of that Quarter or, if earlier, the date the Guaranteed Liability is discharged or matures.
- 8.7 In relation to Guaranteed Liabilities issued under Guaranteed CP/CD Programmes with a maturity of less than one year and Guaranteed Deposits with a maturity of less than one year, each Fee shall accrue over the period commencing on (and including) the first day of the Quarter in which the Participating Institution joined the Scheme and ending on the last day of that Quarter and, thereafter, from (and including) the first day of the next Quarter to the last day of that Quarter and ending on (but excluding) the Guarantee Expiry Date. The Scheme Operator may at its discretion amend the basis on which Fees accrue pursuant to this Rule 8.7 during the Quarter in which a Participating Institution joins the Scheme.
- 8.8 All of the Fees accruing pursuant to Rule 8.6 shall be due and payable in arrears on the Payment Date immediately succeeding the last day of the relevant Quarter. In the case of a Guaranteed CP/CD Programme and Guaranteed Deposits, the Fees accruing pursuant to Rule 8.7 shall be due and payable in arrears on the Payment Date immediately succeeding the last day of the relevant Quarter in respect of the average month-end principal outstanding (including accrued interest) under such Guaranteed CP/CD Programmes and in respect of the average month-end amount of such Guaranteed Deposits during the relevant Quarter. The Scheme Operator may agree with a Participating Institution an alternative date for payment of Fees incurred during any Quarter, and may require such Participating Institution to pay an appropriate rate of interest to the Scheme Operator for the period from the scheduled Payment Date to the date of actual payment of the Fees.
- 8.9 Fees shall be payable to an account nominated by the Scheme Operator on the Payment Dates.
- 8.10 In all cases, if a Guaranteed Liability is not denominated in euro and the Payment Date is not a Currency Business Day in respect of the currency of payment, the payment shall be made on the next following Currency Business Day.
- 8.11 On each Payment Date, each Participating Institution shall provide to the Scheme Operator a statement, in a form acceptable to the Scheme Operator, detailing all Fees paid or payable by it on such Payment Date. Such statement shall, within a reasonable period of time as agreed with the Scheme Operator, be certified by the relevant Participating Institution's external auditors in a form specified by the Guarantor. On

request, a Participating Institution will meet with the Scheme Operator to discuss the statement and the level of Fees paid and any disputes as to the amount of such Fees. In respect of any disputes concerning the amount of Fees, the decision of the Guarantor shall (save in the case of manifest or proven error) be final and binding and the Participating Institutions shall promptly pay to the Scheme Operator any additional amounts which the Scheme Operator decides are payable.

8.12 Each Participating Institution shall calculate the Fees payable on Guaranteed Liabilities of the sort described in paragraph 6 of Annex 7 on a monthly basis and shall send a report of the calculation to the Scheme Operator within eight (8) Business Days of the end of each month.

## 9. **Guarantee Statement and Website**

9.1 The Scheme Operator will establish and maintain on its website a statement of outstanding issued Guaranteed Liabilities (excluding Guaranteed Deposits) from time to time (including ISIN numbers or other applicable identification numbers for Guaranteed Liabilities or Guaranteed Programmes). The current website is at [www.ntma.ie](http://www.ntma.ie).

9.2 The information published under Rule 9.1 shall have no legal status, shall not affect the status or effect of any Eligible Liability Guarantee Certificate, and shall be for information purposes only.

9.3 The Scheme Operator shall also publish on the website referred to in Rule 9.1, in addition to the information set out in Rule 9.1, the following information as appropriate:

- (a) copies of the Participating Institution Certificates;
- (b) copies of the Eligible Liability Guarantee Certificates;
- (c) any extension or shortening of the Issuance Period;
- (d) a copy of the Rules and any change or supplement to the Rules;
- (e) the scope of the eligible liability guarantee applicable to a Participating Institution in respect of its Guaranteed Deposits, together with details of any public notice given by the Guarantor pursuant to paragraph 13 of the schedule to the Scheme;
- (f) any instructions by the Scheme Operator to any Participating Institution that it is to cease issuing further securities under a Guaranteed Programme; and
- (g) any other information which the Scheme Operator deems appropriate.

## 10. **Breach of the Rules**

Notwithstanding paragraph 25 of the schedule to the Scheme, if in the opinion of the Scheme Operator a Participating Institution is in breach of its obligations under these Rules, the Scheme Operator may by notice in writing take such action as the Scheme Operator deems appropriate in the context of the breach and may recommend to the Guarantor that the Guarantor take any of the actions detailed in paragraph 25 of the schedule to the Scheme.

## 11. Public Descriptions of Guarantor and Scheme

- 11.1 The description of the Guarantor and the Scheme in any offering document (including, without limitation, any prospectus, offering circular, listing particulars and information memorandum) or other document or announcement relating to a Guaranteed Liability or Guaranteed Programme issued by or on behalf of any Participating Institution shall be in the form required by the Guarantor or the Scheme Operator.
- 11.2 No Participating Institution shall opt to draw up a prospectus under Article 1(3) of Directive 2003/71/EC (or any implementing legislation in any Member State) in respect of any Guaranteed Liabilities.
- 11.3 Without prejudice to Rule 11.1, no Participating Institution (nor any other person or entity acting on its behalf) shall otherwise promote or market itself or any proposed Guaranteed Liability to be issued or to be taken by the Participating Institution on the basis of the Scheme. The foregoing shall not prevent a Participating Institution informing potential investors in a planned issue of Eligible Liabilities of its intention to apply for an Eligible Liability Guarantee Certificate or the existence of an Eligible Liability Guarantee Certificate or, in the case of a Guaranteed Deposit, confirming to the depositor that the relevant deposit is a Guaranteed Deposit.

## 12. Notices

- 12.1 Any notice or other communication under or in connection with these Rules or the Scheme (other than an Application made under Rule 4.1) shall be delivered by hand or by facsimile or by email:
- (a) in the case of the Guarantor, to the Scheme Operator on its behalf:
- The National Treasury Management Agency  
For the Minister for Finance as Guarantor  
The Treasury Building  
Grand Canal Street  
Dublin 2  
Ireland  
Attention: Anthony Linehan and Nicola Commins  
Fax number: +353 1 676 6582  
Email: [elginfo@ntma.ie](mailto:elginfo@ntma.ie)
- (b) in the case of the Scheme Operator, to:
- The National Treasury Management Agency  
The Treasury Building  
Grand Canal Street  
Dublin 2  
Ireland  
Attention: Anthony Linehan and Nicola Commins  
Fax number: +353 1 676 6582  
Email: [elginfo@ntma.ie](mailto:elginfo@ntma.ie)
- (c) in the case of a Participating Institution, to it at its registered office or such other address as the Scheme Operator may agree with the Participating Institution, or to the facsimile number or email address provided by the Participating Institution to the Scheme Operator for the purposes of this Rule.

- 12.2 Any communication under or in connection with these Rules or the Scheme to be made by the Guarantor or the Scheme Operator to a beneficiary of the Scheme shall be made in such manner as the Guarantor or the Scheme Operator, in its exclusive and absolute discretion, decides is the most appropriate manner in the circumstances at the time.
- 12.3 Communications under Rule 12.1 shall be deemed to take effect, if sent by facsimile, at the time of dispatch or, if delivered by hand, at the time of actual delivery or if sent by email, on the date it is sent.
- 12.4 If agreed by the Scheme Operator at the time, documentation required to be delivered to the Scheme Operator pursuant to these Rules may be delivered by email in portable document format (pdf) attached to such email, provided that the originals or, if permitted by the Scheme Operator, photocopies of such documents are delivered to the Scheme Operator no later than the next Business Day.

### 13. **Changes to Rules**

- 13.1 The Guarantor may amend or supplement these Rules at any time in its exclusive and absolute discretion.
- 13.2 The Guarantor shall cause the Scheme Operator to publish details of any such amendment or supplement in accordance with Rule 9.3.

### 14. **Operation of the Scheme**

The Scheme will be operated by the Scheme Operator on behalf of the Guarantor pursuant to the NTMA Act 1990 (Credit Institutions (Financial Support) Act 2008) Delegation of Functions Order 2009 (S.I. 505 of 2009).

### 15. **Demands**

- 15.1 Any demand by an investor in respect of a Guaranteed Liability in the form of a debt security must be in the form set out in Annex 6 or such other form as the Guarantor may specify for the purposes of paragraph 26 of the schedule to the Scheme and be made in accordance with paragraph 26 of the schedule to the Scheme
- 15.2 Any demand by a depositor in respect of a Guaranteed Deposit must be as set out in Annex 8 or such other form as the Guarantor may specify for the purposes of paragraph 26 of the schedule to the Scheme and be made in accordance with paragraph 26 of the schedule to the Scheme.

### 16. **Governing Law**

These Rules and any non-contractual obligations arising therefrom shall be governed by and construed in accordance with the laws of Ireland.

### 17. **Jurisdiction**

- 17.1 Each Participating Institution agrees for the exclusive benefit of the Guarantor that any legal action or proceedings (“**Proceedings**”) brought against it with respect to the Scheme or the Rules and any non-contractual obligations arising out of or in

connection therewith, may be brought in the High Court in Ireland or such other competent court of Ireland as the Guarantor may elect and the Participating Institution shall waive any objection to Proceedings in such courts whether on the grounds of venue or on the ground that proceedings have been brought in any inconvenient forum. Each Participating Institution undertakes to enter an unconditional appearance within fourteen (14) days after the completion of any service of process in any Proceedings. Each Participating Institution shall consent to the service by post of any process issued in Ireland. Nothing herein shall affect the right to serve process in any other manner permitted by law.

- 17.2 Nothing in this Rule 17 shall limit the right of the Guarantor to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). Each Participating Institution agrees that any action against the Guarantor in connection with the Scheme and the Rules may only be taken in the courts of Ireland.

## ANNEX 1

### Form of Application

#### CREDIT INSTITUTIONS (ELIGIBLE LIABILITIES GUARANTEE) SCHEME 2009

##### PARTICIPATING INSTITUTION CERTIFICATE APPLICATION

1. Date of application.
2. Name of applicant.<sup>1</sup>
3. Contact Details.<sup>2</sup>
4. We hereby enclose the following documents in accordance with Rule 3 of the Rules:
  - (a) two originals of an Eligible Liabilities Guarantee Scheme Agreement executed by us;
  - (b) a legal opinion in respect of the execution of such Eligible Liabilities Guarantee Scheme Agreement; and
  - (c) evidence of the authority of the signatories to the application.<sup>3</sup>
5. We warrant and represent to you that the information contained in, attached to and provided to you in connection with this application is accurate, complete and not misleading (including by omission) in any respect.

Signed by

\_\_\_\_\_  
Duly authorised

\_\_\_\_\_  
Duly authorised

## **Notes**

1. Full legal name of Eligible Institution which is the applicant.
2. Contact details for the applicant and for officer(s) of applicant responsible for this application.
3. The application must be accompanied by evidence, satisfactory to the Guarantor, of the authority of the signatories of the application.



ANNEX 2

Form of Participating Institution Certificate

NATIONAL TREASURY MANAGEMENT AGENCY

CREDIT INSTITUTIONS (ELIGIBLE LIABILITIES GUARANTEE)  
SCHEME 2009

PARTICIPATING INSTITUTION CERTIFICATE

Certificate no. [ ● ] Date: [ ● ]

As operator of the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 (the “**Scheme**”), the National Treasury Management Agency hereby certifies that [insert name of institution] is a Participating Institution for the purposes of the Scheme.

Signed

*[to be signed by an official on behalf of the National Treasury Management Agency]*

\_\_\_\_\_  
\_\_\_\_\_

**ANNEX 3<sup>1</sup>**

**CREDIT INSTITUTIONS (ELIGIBLE LIABILITIES GUARANTEE)  
SCHEME 2009**

**ELIGIBLE LIABILITY GUARANTEE CERTIFICATE APPLICATION**

<b>Date of Application</b>	
<b>Name of Applicant</b>	<i>[Insert full legal name of Participating Institution which is the Applicant]</i>
<b>Contact details</b>	<i>[Contact details for the Applicant and for officer(s) of Applicant responsible for this Application.]</i>
<b>Details of Eligible Liabilities</b>	<i>[To be inserted in boxes below – see note 1 below]</i>
Full legal name of the issuer	
Full legal name(s) of any guarantor(s) (other than the Guarantor)	
Principal amount in the currency of issue	
Indicative interest rate or discount (as applicable) and the source of the reference rate (if applicable)	
Tenor	
Proposed scheduled maturity date	
Proposed investor put/early redemption date	
Type of Eligible Liability (as defined in Rule 2.1)	
Arranger, managers and the Participating Institution's other financial advisors	
Where known, whether or not the person(s) to whom the payment obligation under the Eligible Liability will be owed is represented by a trustee, and, if so, particulars (including formal contact details) of the trustee	
Particulars (including formal contact details) of the paying	

<sup>1</sup> NB: This Annex 3 does not apply in respect of deposits.

agent (where multiple paying agents, the principal paying agent) or registrar (as applicable), and full details of its bank account to be used for payments to be made in connection with the Eligible Liability	
Proposed issue date and (if applicable) launch date.	
List of documents submitted as part of application	
<b>Details of Eligible Programme</b>	<i>[To be inserted in boxes below – see note 2 below]</i>
Full legal name of the issuer	
Full legal name(s) of any guarantor(s) (other than the Guarantor)	
Maximum principal amount of and the title of the programme	
Permitted currencies	
Date of establishment of the programme and, if applicable, the date of its last update	
Where known, whether or not the person(s) to whom the payment obligation under the Eligible Liability will be owed is represented by a trustee, and, if so, particulars (including formal contact details) of the trustee	
Particulars (including formal contact details) of the paying agent (where multiple paying agents, the principal paying agent) or registrar (as applicable), and full details of its bank account to be used for payments to be made in connection with the Eligible Liability.	
List of documents submitted as part of application	

[Save as set out below, we] [We] confirm that there are no Eligible Liabilities proposed to be issued by ourselves, but not yet so issued, in respect of which an Eligible Liability Guarantee Certificate has been issued.

[ ● ]

We warrant and represent to you that the information contained in, attached to and provided to you in connection with this Application (including the particulars required by Rule 4.4) is accurate, complete and not misleading (including by omission) in any respect and, in particular, that the Eligible Liabilities the subject of this Application satisfy the Eligibility Criteria.

We undertake to pay the Fee applicable to the [Eligible Liabilities/Eligible Programme] in accordance with the Scheme and the Rules.

Signed by:

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Duly authorised

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Duly authorised

## Notes

1. Details of the Eligible Liabilities in respect of which the guarantee is applied for and the information and documents referred to in Rules 4.4 and 4.5(ii) must be provided.

In the case of Eligible Liabilities which are in the form of debt securities, the details must demonstrate that the Eligible Liability satisfies the Eligibility Criteria and subject to note 2 below applying to this application, include the information listed in the table above under the heading “Details of Eligible Liabilities”.

2. A Participating Institution can apply to have all Eligible Liabilities from time to time in issue under an Eligible Programme guaranteed under the Scheme, in which case it must provide details of the Eligible Programme in respect of which the guarantee is applied for and the information and documents referred to in Rules 4.4 and 4.5(ii) must be provided, including the information listed in the table above under the heading “Details of Eligible Programme”. The details provided must demonstrate that each Eligible Liability satisfies the Eligibility Criteria.
3. A failure to provide information that is accurate, complete and not misleading (including by omission) in respect of this application will be breach of the Rules.

ANNEX 4

**Eligible Liability Guarantee Certificate**<sup>2</sup>

NATIONAL TREASURY MANAGEMENT AGENCY

CREDIT INSTITUTIONS (ELIGIBLE LIABILITIES GUARANTEE)  
SCHEME 2009

**ELIGIBLE LIABILITY GUARANTEE CERTIFICATE**

Certificate no. [●] Date: [●]

As Scheme Operator of the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 (the “**Scheme**”), the National Treasury Management Agency hereby certifies that the liabilities, the details of which are specified in the schedule to this Certificate, are, upon their issue, and provided [they have been issued] [the first issuance under the Guaranteed Programme occurs] on or before [*the date being 30 days after the date of this certificate*],] Guaranteed Liabilities for the purposes of the Scheme.

[The Guarantee Certificate replaces the certificate issued on [●] in respect of the Guaranteed Programme referred to above].<sup>3</sup>

Signed

\_\_\_\_\_

\_\_\_\_\_

The National Treasury Management Agency

Schedule

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<sup>2</sup> NB: This Annex 4 does not apply in respect of deposits.

<sup>3</sup> Include for Guaranteed Programmes where the maximum amount has been increased.

## ANNEX 5

### Form of Deed of Counter-Indemnity

To: The Minister for Finance

We refer to the eligible liability guarantee contained in the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 (the “**Guarantee**”). Words and expressions defined in the Credit Institutions (Eligible Liabilities Guarantee) Scheme have the same meanings where used in this Deed, save that references in this Deed to the “Guarantee” shall be construed as references to the Guarantee insofar (and only insofar) as it applies to our Guaranteed Liabilities to the intent and effect that this Deed shall have no application to the Guarantee insofar as it applies to the Guaranteed Liabilities of other persons.

In consideration of your agreeing at our request to issue one or more Eligible Liability Guarantee Certificates, we hereby:-

1. agree to keep you indemnified to the extent hereinafter provided from and against all actions, proceedings, liabilities, claims, damages, costs and expenses in relation to or arising out of the Guarantee and this Deed, and to pay to you on demand an amount equal to all payments, claims, losses, costs, charges, damages, taxes, duties and expenses suffered or incurred by you in consequence thereof or arising therefrom, whether directly or indirectly; and
2. agree to pay to you upon demand interest on all amounts demanded by you from us under this Deed calculated at the aggregate of the Official Bank Rate (for the time being and from time to time) and [two per cent. (2%)] during the period from (and including) the date of such demand to (but excluding) the date of payment by us to you of all such amounts; and for this purpose “Official Bank Rate” means the European Central Bank rate (main refinancing operations) published by the European Central Bank from time to time; and
3. irrevocably authorise and direct you to make any payments forthwith and comply with any demands which may be claimed or made under the Guarantee without any reference to or further authority, confirmation or verification from us, and agree that any payment which you shall make in accordance with the Guarantee shall be binding upon us and shall be accepted by us as conclusive evidence that you were liable to make such payment or comply with such demand notwithstanding any dispute that may exist between us and the beneficiary as to the validity of any such demand; and
4. without prejudice to any other provision of this Deed, agree that any demand made upon you for payment of sums specified in the Guarantee shall, for all purposes relating to this Deed, be deemed to be a valid and effective demand, and you shall be entitled to treat it as such notwithstanding any actual lack of authority on the part of the person making the demand if the demand appears on its face to be in order; and
5. without prejudice to any other provision of this Deed, agree that provided that any certificate or document delivered in accordance with the provisions of the Guarantee appears on its face to be in accordance with the terms of the Guarantee, such certificate or document shall for all purposes relating to this Deed be deemed to be genuine and in accordance with the terms of the Guarantee; and
6. agree that all sums payable hereunder shall be made free and clear of and without deduction for or on account of any set-off or counterclaim or any present or future taxes of any nature. Should any such payment be subject to deduction in respect of any such matter, we shall pay to you such additional amount as may be necessary to enable you to receive a net amount equal to the full amount payable hereunder. As used herein, the term “taxes” includes all

levies, imposts, duties, charges, fee, deductions, withholdings, turnover tax, stamp duty, and any obligations or conditions resulting in a charge; and

7. agree that all payments under this Deed shall be made in the currency in which payments made or liabilities incurred by you under the Guarantee are denominated; and
8. agree that our liability hereunder shall also apply to any increase or decrease in the amount of or extension or renewal of the Guarantee from time to time (whether in the same terms or otherwise and whether arising with our agreement or by operation of law or otherwise) to the intent that all agreements, undertakings and authorities herein shall continue to be binding on us in relation to the Guarantee as so increased, decreased, extended or renewed; and
9. agree that, without prejudice to any other rights, powers or remedies (whether provided by contract, law or otherwise) which you may have, you may set off any moneys due and payable (but not paid) by us under this Deed against any obligation whatsoever owed by you to us, regardless of the place of payment or currency of either obligation, and, if the obligations are in different currencies, you may convert either obligation at a market rate of exchange selected by you for this purpose; and
10. agree that, if, under any applicable law and whether pursuant to a judgment being made or registered against us or for any other reason, any payment under or in connection with this Deed is made or falls to be satisfied by us or on our behalf in a currency (the “other currency”) other than that in which the relevant payment is expressed to be due (the “required currency”), then to the extent that the payment actually received by you (when converted into the required currency at the market rate of exchange selected by you for this purpose on the date of payment or, if it is not practicable for you to purchase the required currency with the other currency on the date of payment, at the market rate of exchange selected by you for this purpose as soon thereafter as it is practicable for you to do so) falls short of the amount due under the terms of this Deed, we shall, as a separate and independent obligation, indemnify and hold you harmless against the amount of such shortfall; and
11. agree to observe, and perform our obligations under, the Rules in force from time to time, and to comply with any undertaking given by us to the Guarantor in connection with the issue of any Eligible Liability Guarantee Certificates.

We hereby warrant and represent that we have power to enter into and have duly authorised the execution and delivery of this Deed and that our obligations hereunder constitute our legal, valid and binding obligations, enforceable in accordance with its terms.

Our obligations hereunder shall not be in any way discharged or impaired by reason of any time or other indulgence granted to you by the beneficiary or by any amendment or variation of the Guarantee or any related agreement, and shall exist irrespective of any present or future total or partial invalidity, illegality or unenforceability of the Guarantee.

We shall not, and we shall procure that no guarantor of any Guaranteed Liability shall, without your prior written consent, enforce or seek to enforce in competition with you, any right of contribution, subrogation or indemnity from or against any other person to which we or such guarantor may be entitled by reason of the performance of our obligations hereunder or the guarantor’s performance of its obligations, in each case, in respect of the Guaranteed Liability.

A certificate submitted by you to us as to the amount due from us to you hereunder at the date of such certificate shall, save in the case of manifest error, be conclusive and binding on us for all purposes.

We understand and agree that our liability hereunder will continue until you have notified us in writing that you have released us from it.



This Deed and any non-contractual claim arising out of or in connection with it shall be governed by and construed in accordance with the laws of Ireland and shall be additional to any other indemnity which you now or hereafter may hold.

We hereby agree for your exclusive benefit that any legal action or proceedings (“**Proceedings**”) brought against us with respect to this Deed and any non-contractual obligations arising out of or in connection therewith, may be brought in the High Court in Ireland or such other competent court of Ireland as you may elect and we waive any objection to Proceedings in such courts whether on the grounds of venue or on the ground that proceedings have been brought in any inconvenient forum. We undertake to enter an unconditional appearance within 14 days after the completion of any service of process in any Proceedings. We hereby consent to the service by post of any process issued in Ireland. Nothing herein shall affect the right to serve process in any other manner permitted by law. Nothing in this Deed shall limit your right to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). We agree that any action against you in connection with this Deed may only be taken in the courts of Ireland.

DATE: [●]

PRESENT WHEN

THE COMMON SEAL of

[Participating Institution]

was hereto affixed

in the presence of:

## ANNEX 6

### Form of Demand

#### [CREDIT INSTITUTIONS (ELIGIBLE LIABILITIES GUARANTEE) SCHEME 2009]

#### NOTICE OF DEMAND<sup>4</sup>

To:

The National Treasury Management Agency  
The Treasury Building,  
Grand Canal Street,  
Dublin 2

As Scheme Operator of the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 (the  
“**ELG Scheme**”)

#### [Title and ISIN of Guaranteed Liability]

1. We, [ ● ], certify that [we are the [trustee for the holders of ] [the holder of [amount] of] the above-mentioned Guaranteed Liability.
2. We refer to the guarantee applicable to the above-mentioned Guaranteed Liability dated ● 20 ● pursuant to the ELG Scheme. Words and expressions defined in the ELG Scheme have the same meanings where used in this notice.
- [3. We demand payment to us, in accordance with paragraph 26 of the schedule to the ELG Scheme and the Rules, of the sum of [ ● ] being [ ● ] due and payable, but unpaid, to us [or holders that we represent] under or in respect of the Guaranteed Liability (the “**Claimed Sum**”).]
- [4. The due date, after the expiry of the applicable grace period (if any), for the payment of interest to us under or in respect of the Guaranteed Liability was [ ● ] and such payment has not been made to us.]
- [5. The redemption date of the Guaranteed Liability was [ ● ] and the amount due and payable to us in respect of the Guaranteed Liability on such date has not been paid to us.]
6. We certify that we validly demanded payment of the Claimed Sum from the issuer of the Guaranteed Liability on [ ● ] and that the issuer has failed to pay the Claimed Sum to us in accordance with our valid demand.

Signed by:

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Duly authorised

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<sup>4</sup> This is the form of notice of demand for guaranteed liabilities other than deposits.

## Annex 7

### Fees<sup>5</sup>

**For eligible liabilities incurred prior to midnight on 31 December, 2011, paragraphs 1 to 3 below apply.**

1. A Fee shall be payable to the Guarantor by each relevant Participating Institution in respect of each Guaranteed Liability, corresponding to the recommendations of the Governing Council of the European Central Bank on government guarantees for bank debt dated 20 October 2008, the DG Competition Staff Working Document entitled “The Application of State Aid Rules to Government Guarantee Scheme Covering Bank Debt To Be Issued After 30 June 2010” and any Eurosystem guidelines. In particular:
  - 1.1 The Fee payable to the Guarantor in relation to a Guaranteed Liability with a maturity greater than one year shall be based on a per annum rate of 0.50% of the principal amount of the Guaranteed Liability plus either:
    - (a) 100% of the relevant Participating Institution’s median five-year credit default swap (“CDS”) spread during the period from 1 January 2007 to 31 August 2008; or
    - (b) 100% of the median five-year CDS spread during the period from 1 January 2007 to 31 August 2008 for euro area credit institutions in the same credit rating category as the relevant Participating Institution (or the lowest rating category if such Participating Institution has no rating),whichever is the lower, as determined by the Scheme Operator.
  - 1.2 The Fee payable to the Guarantor in relation to a Guaranteed Liability with a maturity of up to one year shall be based on a per annum rate of 0.50% of the principal amount of the Guaranteed Liability.
  - 1.3 The Fee payable to the Guarantor in relation to a Guaranteed Liability incurred from 1 July 2010 onwards shall be calculated in accordance with paragraphs 1.1 and 1.2 above as appropriate, except that the Fee payable shall be increased as follows:
    - (a) an additional 20 basis points for Participating Institutions with a rating of A+ or A (or A1 and A2 depending on the rating system employed);
    - (b) an additional 30 basis points for Participating Institutions rated A- (or A3 depending on the rating system employed); and
    - (c) an additional 40 basis points for Participating Institutions rated below A-. Participating Institutions without a rating will be treated as having a BBB rating.
  - 1.4 The Fee payable to the Guarantor in relation to all Guaranteed Liabilities (excluding Retail Deposits) with a maturity of 90 days or less and incurred from 30 September 2010 onwards shall be calculated in accordance with paragraphs 1.1, 1.2 and 1.3 above as appropriate, except that the Fee shall be increased further as follows:

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<sup>5</sup> Subject to change in accordance with EU State aid requirements.

- (a) an additional 20 basis points if the Guaranteed Liability is incurred between 30 September 2010 and 31 October 2010 inclusive;
  - (b) an additional 40 basis points if the Guaranteed Liability is incurred between 1 November 2010 and 30 November 2010 inclusive; and
  - (c) an additional 70 basis points if the Guaranteed Liability is incurred between 1 December 2010 and 31 December 2011 inclusive.
- 1.5 In the case of divergent assessments by different rating agencies the relevant rating for the calculation of the Fee increase described in paragraph 1.3 should be the higher rating. The material time for the rating in the determination of the Fee is the day on which the relevant Guaranteed Liability is incurred.
- 1.6 The Fee shall be applied to the principal amount of an interest bearing Guaranteed Liability and in the case of a non-interest bearing Guaranteed Liability to the gross proceeds of issue of the relevant Guaranteed Liability.
2. The Guarantor may apply an alternative CDS spread if it determines in his or her discretion, that the data referred to at 1.1 above is not publicly available, based on median five year CDS spreads for euro area credit institutions in the same credit rating category as the relevant Participating Institution (or the lowest rating category if such participating institution has no rating).
3. Notwithstanding paragraph 1 above, for a three-month period from the commencement date, the Fee applicable to any Guaranteed Liabilities of a Participating Institution with a maturity of one (1) month or less shall be based on an overall flat fee of 25 basis points per annum.

**For eligible liabilities incurred from 1 January, 2012, to 31 December, 2012 inclusive, paragraphs 4 - 6 below apply.**

4. For guaranteed liabilities with an initial maturity of one year or more, the guarantee fee should be at least equal to the sum of the two following components:
- a basic fee of 40 basis points; and
  - a risk-based fee equal to the product of 40 basis points and a risk metric composed of:
    - (i) one-half of the ratio of the beneficiary's median 5-year senior CDS spread over the three years ending one month before the date of issue of the eligible liability to the median level of the iTraxx Europe Senior Financials 5-year index over the same three-year period, plus
    - (ii) one-half of the ratio of the median 5-year senior CDS spread of all Member States to the median 5-year senior CDS spread of the Member State granting the guarantee over the same three-year period<sup>6</sup>.
  - For banks without CDS data, or without representative CDS data, but with a credit rating, an equivalent CDS spread should be derived from the median value of five year CDS spreads during the same sample period for the rating category of the bank

<sup>6</sup> {The formula for the guarantee fee can be written as:  $\text{Fee} = 40\text{bp} \times (1 + (1/2 \times A/B) + (1/2 \times C/D))$  where A is the beneficiary's median 5-year senior CDS spread, B is the median iTraxx Europe Senior Financials 5- year index, C is the median 5-year senior CDS spread of all Member States and D is the median 5-year senior CDS spread of the Member State granting the guarantee. The medians are calculated over the three years ending one month before the date of issue of the guaranteed bond.

concerned, based on a representative sample of large banks in the Member States. The supervisory authority will assess whether the CDS data of a bank are representative.

- For banks without CDS data and without a credit rating, an equivalent CDS spread should be derived from the median value of five-year CDS spreads during the same sample period for the lowest rating category<sup>10</sup>, based on a representative sample of large banks in the Member States. The calculated CDS spread, for this category of banks, may be adapted on the basis of a supervisory assessment.

The fees will be applied in respect of guaranteed liabilities incurred between 1 January, 2012, and 31 December, 2012, inclusive.

5. For guaranteed liabilities with an initial maturity of more than 90 days and less than one year, the guarantee fee should be at least equal to the sum of the two following components:

- a basic fee of 50 basis points; and
- a risk-based fee equal to 20 basis points for banks with a rating of A+ or A, 30 basis points for banks with a rating of A-, or 40 basis points for banks rated below A- or without a rating

The fees will be applied in respect of guaranteed liabilities incurred between 1 January, 2012, and 31 December, 2012, inclusive.

6. For guaranteed liabilities (excepting retail deposits) with a maturity of 90 days or less, a fee common to all beneficiary institutions plus an additional fee relative to the rating of the beneficiary institution will apply.

The fee common to all institutions is fixed at 120 basis points per annum.

The additional fee relative to the rating of the beneficiary institutions is:

- 20 basis points for participating institutions with a rating of A+ or A,
- 30 basis points for participating institutions rated A-, and
- 40 basis points for participating institutions rated below A-.

Participating institutions without a rating will be considered to belong to the category of banks with a BBB rating .

For guaranteed liabilities with a maturity of 90 days or less which are retail deposits, a single fee of 90 basis points will apply.

The fees will be applied in respect of guaranteed liabilities incurred between 1 January, 2012, and 31 December, 2012, inclusive.

**For eligible liabilities incurred from 1 January, 2013, to 28 March, 2013 inclusive, paragraphs 7 - 9 below apply.**

7. For guaranteed liabilities with an initial maturity of one year or more, the guarantee fee should be at least equal to the sum of the two following components:

- a basic fee of 40 basis points; and
- a risk-based fee equal to the product of 40 basis points and a risk metric composed of:

(i) one-half of the ratio of the median 5-year senior CDS spread of the sample of EU banks in the “BBB- and lower” rating buckets as established by the European Commission over the three years ending one month before the date of issue of the eligible liability to the median level of the iTraxx Europe Senior Financials 5-year index over the same three-year period,  
plus

(ii) one-half of the ratio of the median 5-year senior CDS spread of all Member States to the median 5-year senior CDS spread of the Member State granting the guarantee over the same three-year period<sup>7</sup>.

The fees will be applied in respect of guaranteed liabilities incurred between 1 January, 2013, and 28 March, 2013, inclusive.

8. For guaranteed liabilities with an initial maturity of more than 90 days and less than one year, the guarantee fee should be at least equal to the sum of the two following components:

- a basic fee of 50 basis points; and
- a risk-based fee equal to 20 basis points for banks with a rating of A+ or A, 30 basis points for banks with a rating of A-, or 40 basis points for banks rated below A- or without a rating

The fees will be applied in respect of guaranteed liabilities incurred between 1 January, 2013, and 28 March, 2013, inclusive.

9. For guaranteed liabilities (excepting retail deposits) with a maturity of 90 days or less, a fee common to all beneficiary institutions plus an additional fee relative to the rating of the beneficiary institution will apply.

The fee common to all institutions is fixed at 120 basis points per annum.

The additional fee relative to the rating of the beneficiary institutions is:

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<sup>7</sup> (The formula for the guarantee fee can be written as:  $\text{Fee} = 40\text{bp} \times (1 + (1/2 \times A/B) + (1/2 \times C/D))$  where A is the median 5-year senior CDS spread of the sample of EU banks in the “BBB- and lower” rating buckets as established by the European Commission, B is the median iTraxx Europe Senior Financials 5-year index, C is the median 5-year senior CDS spread of all Member States and D is the median 5-year senior CDS spread of the Member State granting the guarantee. The medians are calculated over the three years ending one month before the date of issue of the guaranteed bond.

- 20 basis points for participating institutions with a rating of A+ or A,
- 30 basis points for participating institutions rated A-, and
- 40 basis points for participating institutions rated below A-.

Participating institutions without a rating will be considered to belong to the category of banks with a BBB rating .

For guaranteed liabilities with a maturity of 90 days or less which are retail deposits, a single fee of 90 basis points will apply.

The fees will be applied in respect of guaranteed liabilities incurred between 1 January, 2013, and 28 March, 2013, inclusive.

## Annex 8

### **CREDIT INSTITUTIONS (ELIGIBLE LIABILITIES GUARANTEE) SCHEME 2009**

### **NOTICE OF DEMAND FOR CURRENT ACCOUNTS AND DEPOSIT ACCOUNTS**

**To:**

The National Treasury Management Agency  
ELG Claims  
PO Box 80800  
Dublin 2

As Scheme Operator of the Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 (the “ELG Scheme”)

**Please read the guidance notes on Page 5 and 6 before completing this Notice of Demand**

**Account Holder details (the “Depositor”):**

<b>Name(s) of account holder(s)</b>	
<b>Address</b>	
<b>Telephone Mobile/ Landline</b>	
<b>Email</b>	



**Deposit details (the “Deposit”)<sup>8</sup>:**

<b>A. Account number</b>	
<b>B. Account name</b>	
<b>C. Account type:</b>	
<b>D. Account balance and date of that balance</b>	
<b>E. Currency of deposit</b>	
<b>F. Maturity date of deposit (for term deposits only):</b>	
<b>G. Date deposit made (for term deposits only):</b>	
<b>H. Amount Claimed:</b>	

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<sup>8</sup> For the purposes of this document “deposits” should be read to include money held in a current account.

**Demand and Declarations:**

[I] [We] demand payment to [me] [us], in accordance with paragraph 26 of the schedule to the ELG Scheme and the Rules of the ELG Scheme, of the amount of the Deposit which is due and payable under the ELG Scheme.

In making this demand in relation to the Deposit, [I] [We] declare that:

4. [I am] [We are] are the legal and beneficial owner(s) of all rights, title, interest and benefit in the Deposit.
5. The Depositor and Deposit details provided above are correct.
6. [I] [We] have appended to this notice all available documentation relevant to the above-mentioned deposit.
7. The Deposit is not covered by the Deposit Guarantee Scheme in Ireland or any other jurisdiction for the following reason(s):

*[Insert reason(s). If necessary attach separate note.]*

*Or*

The amount claimed does not include any payment already received or expected to be received under the Deposit Guarantee Scheme in respect of the Deposit.

8. [I] [we] have no actual or contingent liabilities to IBRC or any other party that may be eligible to be set-off against the Deposit.

*Or*

[I][we] have one or more actual or contingent liabilities to IBRC or another third party that may be eligible to be set-off against the Deposit and the identity of those liabilities and the quantum of those liabilities is as follows:

*[Insert details(s). If necessary attach separate note on details to this Form]*

**Acknowledgements:**

[I][We] acknowledge that:

9. If this Notice of Demand is inaccurate, misleading or incomplete in any material respect it may be returned and payment refused. The foregoing is without prejudice to [my] [our] right to re-submit a new demand for payment in such circumstances.
10. [I] [We] will indemnify and hold harmless the National Treasury Management Agency and the Minister for Finance against any loss or liability incurred by them (including for the repayment of the Deposit) if any of the details in this Notice of Demand are inaccurate or misleading in any material respect.
11. Information relating to [me] [us] can be shared between the National Treasury Management Agency, IBRC, the Special Liquidator appointed to IBRC their agents and advisors and any other relevant party to the degree it is necessary for the purposes of verifying the information provided in this Notice of Demand, for administering the ELG Scheme and for the processing of payments in respect of the ELG Scheme.
12. The National Treasury Management Agency will rely on the accuracy of data provided by the Special Liquidator appointed to IBRC in establishing the validity of the claim and making the appropriate compensation payment under the ELG Scheme.
13. Any payment made to [me][us] will constitute full and final settlement of any obligation owed to [me] [us] and constitute a complete discharge by the Minister for Finance of Ireland in respect of his liability under the ELG Scheme in respect of the Deposit, unless challenged within 30 days of receipt of payment.

Signed by: \_\_\_\_\_

Name:

Position (if relevant):

Signed by<sup>9</sup>: \_\_\_\_\_

Name:

Position (if relevant):

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<sup>9</sup> To be signed by all authorised signatories on the account.

## **GUIDANCE NOTES:**

**This Notice of Demand is to be used for a demand for payment of deposits in IBRC that are guaranteed under the ELG Scheme.**

Demands in relation to other guaranteed liabilities of IBRC should be in the form of Annex 6 of the Rules of the ELG Scheme.

For the purposes of the ELG Scheme, a deposit includes current accounts and term deposits (meaning a deposit with a fixed maturity).

**In order to be eligible for repayment under the ELG Scheme, a deposit must: (a) have an original maturity of 5 years or less; and (b) if a term deposit, have been placed with Anglo Irish Bank after 28 January 2010 or with the Irish Nationwide Building Society after 3 February 2010. In addition, the ELG Scheme does not apply to a deposit to the extent to which it is covered by a deposit guarantee scheme constituted under the laws of Ireland (the “DGS”) or of another country.**

### **Depositor Details**

The names of all deposit holders and their contact details must be included on the form and should be the same as they appear in the records of IBRC. If there have been any changes in the details, these must also be recorded (on a separate page if need be) by the depositors together with the date that they occurred.

### **Deposit Details**

- C. Please describe the type of deposit held (term deposit, current account, etc.).
- D/E. Please insert the amount of the balance in the account as of the most recent date for which you have information, as well as the currency of the deposit.
- F. Please insert the maturity date of the deposit, if any. For demand deposits, state N/A.
- G. If a term deposit please insert the date the deposit was made. Term deposits (i.e. a deposit with a fixed maturity) placed with Anglo Irish Bank prior to 28 January 2010 or with the Irish Nationwide Building Society prior to 3 February 2010 are not eligible under the ELG Scheme.
- H. The amount claimed should be the amount of the deposit less any amount that is not eligible under the ELG Scheme. Amounts that are not eligible include those that are payable under the DGS or are subject to be set-off against any actual or contingent liability owed to IBRC or to a third party. Please explain how you calculated the amount claimed.

### **Demand and Declarations**

1. Claimants must certify that they are the legal and beneficial owners of the deposit. If there is more than one person who is an owner of the deposit, such person must demand payment on the same form as the other deposit holders.
3. Claimants are required to submit the most recent deposit account statement available to them and should submit any other relevant documentation available to them in support of the claim.

Relevant documentation includes, but is not limited to, deposit confirmations, terms and conditions of the deposit (where available), and any relevant documents relating to any loans or other liabilities owed to IBRC or to a third party against which your deposit may be eligible for set-off. If you believe that your loans/other liabilities owed to IBRC or to a third party are not eligible to be set-off against your deposit, you must state that in Declaration 5. The National Treasury Management Agency reserves the right to request any additional information and supporting documentation for the purpose of processing a claim.

4. Strike a line through the declaration that does not apply to you. You can only claim under the ELG Scheme to the extent that your deposit is not covered under the DGS or any other guarantee scheme in another country. If you believe your deposit is not covered by the DGS, please state the reason for this or attach a separate page if necessary. Please see (<http://www.centralbank.ie/paycurr/paysys/pages/guarantee.aspx>) for information on the DGS.
5. Strike a line through the declaration that does not apply to you. The ELG Scheme makes payment in respect of deposits that are due and payable by IBRC. To the extent that a deposit is subject to a legal and enforceable set-off by IBRC or any third party in respect of an actual or contingent liability owed by the depositor, the amount payable under the ELG Scheme will be reduced accordingly. Depositors are required to provide information about any such actual or contingent liability and set-off rights, if applicable. Information regarding such rights may be appended to the form on a separate page.

#### **Acknowledgements**

8. All information submitted along with the Notice of Demand will be subject to verification by the National Treasury Management Agency. Claimants may be required to supplement or amend the claim if the amount claimed by the Claimant is uncertain at the date of application.
9. A determination will be made as to the amount due and payable under the ELG Scheme based on the information submitted by the Claimant in the Notice of Demand and the data provided by the Special Liquidator appointed to IBRC.
10. If you do not agree with the amount paid to you, you can challenge the determination within 30 days of the date of payment by writing to the National Treasury Management Agency stating the reasons for your challenge and providing documentary evidence, if relevant, supporting your challenge. If you do not challenge the determination within 30 days, the payment will constitute full and final settlement of any obligation owed to you and constitute a complete discharge by the Minister for Finance of Ireland in respect of his liability under the ELG Scheme in respect of the deposit which is the subject of this claim.

**Claimants should refer to [www.ntma.ie](http://www.ntma.ie) for further information.**