

Key Information Document



Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Product Name:	Interest Rate Cap (EUR €)
PRIIP Manufacturer Name:	Allied Irish Banks, p.l.c. ("AIB"), part of AIB Group
Website for PRIIP Manufacturer:	https://aib.ie/fxcentre
Contact number for PRIIP Manufacturer:	Call +353 1 772 4005 for more information
Competent Authority:	The Central Bank of Ireland is responsible for supervising AIB in relation to this Key Information Document
Date of production of the Key Information Document:	1st January 2023

You are about to purchase a product that is not simple and may be difficult to understand.

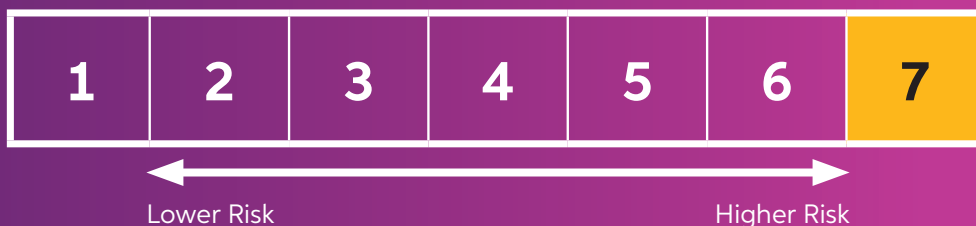
What is this product?

Type	Over the Counter Derivative (OTC) – Interest Rate Cap
Term	The length of the Interest Rate Cap will depend on how long you wish to protect against adverse movements in interest rates and will be agreed before you enter into the product. The product is a bilateral agreement that cannot ordinarily be terminated unilaterally by either you or AIB. Typically an Interest Rate Cap cannot be automatically terminated.
Objectives	<p>Interest Rate Caps are binding agreements between you (the buyer) and AIB (the seller), where you will receive a compensation payment at the end of each calculation period (the payment date) if the agreed reference rate on the fixing date is above the agreed cap strike rate. The Cap can be exercised (or converted) at the cap rate, on one, or a series or rollover or reset dates under the agreed term.</p> <p>The objective of this product is to provide you with protection against adverse movements in interest rates that you may experience and to help you to manage your cash flow more effectively as the maximum cost of interest payments is known. An Interest Rate Cap is a hedging tool. It provides protection against rising interest rates, while maintaining the ability to participate in favourable movements.</p> <p>The payments are calculated in each case on the basis of the Interest Rate Cap notional amount and the length of the relevant calculation period applying the interest calculation method.</p> <p>In exchange for the purchase of the Interest Rate Cap, you will pay a one-time option premium to AIB at the beginning of its term. The premium is paid up-front.</p> <p>If the Floating Rate (agreed reference rate) is equal to or below the strike rate you will continue to benefit from the Floating Rate. You can tailor an Interest Rate Cap by selecting from a range of rollover frequencies, terms, strike rate and face values over the term. You can determine the commencement date of the Interest Rate Cap.</p> <p>An Interest Rate Cap does not affect the terms of the underlying loan facility. In particular it does not affect the borrower's obligations to repay the principal of the loan, to pay interest on the loan to the lender or to pay fees and charges to the lender, in each case in accordance with the terms and conditions of the underlying loan facility.</p>
Intended Retail Investor	This product is intended for retail clients who borrow and are seeking to mitigate the impact of adverse movements in the underlying interest rates and a subsequent increase in interest payments.

What are the risks and what could I get in return?

Risk Indicator

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class.



The risk indicator assumes you keep the product until maturity. The actual risk can vary significantly if you terminate it at an early stage and you may get back less. You may not be able to end your product early. You may have to pay significant extra costs to end your product early.

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If you cannot fulfil your contract, you may not be able to terminate it easily before maturity or you may have to end your product at a price that significantly impacts on the performance of your product. In some circumstances you may be required to make payments to pay for losses. The return of this product may change depending on currency fluctuations. **The total loss you may incur may be significant.** This product does not include any protection from future market performance so you could incur significant losses. In the event that AIB is not able to pay out what is owed, you could incur significant losses.

Performance Scenarios

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor. The figures do not take into account your personal tax situation, which may also affect how much you get back. **What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.**

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product over the last 5 years. Markets could develop very differently in the future. The stress scenario shows what you might get back in extreme market circumstances. This product cannot be easily terminated early. If you terminated the product earlier than the agreed maturity date you may have to pay extra costs.

Scenarios below are based on an Interest Rate Cap assuming a notional amount of EUR 10,000 and a maturity date of 5 years. The table shows the money you could get back or pay after costs under different performance scenarios.

Recommended Holding Period: This product is designed to be held until maturity.			
Notional Amount EUR 10,000			
Scenarios		1 Year	5 Year
Stress	What you might get back after costs	-EUR 270	-EUR 270
	Average return each year*	-2.7%	-2.7%
Unfavourable	What you might get back after costs	-EUR 270	-EUR 270
	Average return each year*	-2.7%	-2.7%
Moderate	What you might get back after costs	-EUR 110	-EUR 190
	Average return each year*	-1.1%	-1.9%
Favourable	What you might get back after costs	EUR 800	EUR 200
	Average return each year*	8.0%	2.9%

*The potential return/loss is calculated as a percentage over the notional amount.

What happens if AIB is unable to pay out?

AIB is a member of the Irish compensation scheme established under the Investor Compensation Act 1998 (the 1998 Act). The 1998 Act provides for the establishment of a compensation scheme and payment, in certain circumstances, of compensation to certain clients (defined in the 1998 Act as eligible investors) of authorised investment firms. You may be entitled to compensation from this scheme if we are unable to meet any of our liabilities to you. Where an entitlement to compensation is established, the compensation payable will be 90% of your net loss or €20,000 (whichever is the lesser).

What are the costs?

The person advising on this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest and how long you hold the product. The amounts shown here are illustrations based on an example investment amount. The costs below may vary depending on the underlying parameters of the transactions.

We have assumed:

- The notional amount is EUR 10,000
- The product cannot be held longer than agreed maturity date so other holding periods are not applicable

	If you end after 5 years (i.e. you hold the product until the scheduled maturity date) (where applicable)
Total Costs	EUR 40
Cost impact *	0.40%

*This illustrates how costs reduce your return over the holding period.

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Composition of costs*

One-off costs upon entry or exit		Cost Impact
Entry costs	0.40 % of the amount you pay in when entering this investment	EUR 40
Exit costs	We do not charge an exit fee for this product.	0%
Ongoing costs [taken each year]		
Management fees and other administrative or operating costs	There are no management fees and other administrative or operating costs for this product.	0%
Transaction costs	There are no transaction costs for this product.	0%
Incidental costs taken under specific conditions		
Performance fees	There is no performance fee for this product.	0%

*This illustrates costs in relation to the notional value of the PRIIP.

How long should I hold it and can I take money out early?

Recommended holding period: This product cannot be sold or transferred easily. It is designed to be held to the agreed maturity date in order to match your investment requirement. Hence, there is no recommended holding period. This product can only be matured on the date(s) agreed with AIB. Early termination may occur in the event of a default by either you or AIB.

How can I complain?

You can make a complaint by:

- Contacting your AIB Primary Relationship Manager or assigned AIB Customer Treasury Services Relationship Manager on +353 1 772 4005 or by writing to Allied Irish Banks, p.l.c., AIB Customer Treasury Services, 10 Molesworth Street, Dublin 2. You can also make a complaint via our website aib.ie/fxcentre.
- If you are still not satisfied and you come within the jurisdiction of the Financial Services and Pensions Ombudsman, you can take your complaint to:
 - The Financial Services and Pensions Ombudsman, Lincoln House, Lincoln Place, Dublin 2, D02 VH2. Phone: +353 1 567 7000; Email: info@fspo.ie; Website: www.fspo.ie

Other relevant information

We will provide you with further documentation relating to a transaction that you enter into with us including a confirmation with a breakdown of costs and charges and an annual statement. We have used a notional amount of EUR 10,000 in this document for simplicity and ease of comparison, however, please note this is not representative of typical notional amount for this product which would generally exceed EUR 1,000,000.

AIB Customer Treasury Services is a registered business name of Allied Irish Banks, p.l.c.
Allied Irish Banks, p.l.c. Registered Office: 10 Molesworth Street, Dublin 2. Registered in Ireland, No. 24173. Allied Irish Banks, p.l.c is regulated by the Central Bank of Ireland. Directors' names and particulars are available at the company's registered office and on the AIB Group website.