



DIVISION OF
TRADING AND MARKETS

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

June 7, 2011

John O'Connor
Sullivan & Cromwell LLP
One New Fetter Lane
London EC4A 1AN, England

Re: The Governor and Company of the Bank of Ireland – Exemptive Relief from
Rule 102 of Regulation M
File No. TP 11- 13

Dear Mr. O'Connor:

In your letter dated June 7, 2011, as supplemented by conversations with the staff, you request on behalf of The Governor and Company of the Bank of Ireland, established in Ireland by charter and having limited liability ("Bank of Ireland"), an exemption from Rule 102 of Regulation M under the Securities Exchange Act of 1934 ("Exchange Act") in connection with the proposed Rights Issue and Exchange Offers (collectively, the "Transactions").

You seek an exemption to permit Bank of Ireland and certain Bank of Ireland affiliates to conduct specified transactions outside the United States ("U.S.") in Ordinary Stock and ADSs during the distribution of Ordinary Stock. Specifically, you request that: (i) Bank of Ireland Life be permitted to continue to engage in insurance and pension product related activities as described in your letter; (ii) Bank of Ireland Private Banking be permitted to continue to engage in investment advisory and asset management activities as described in your letter; (iii) Bank of Ireland Trust Services be permitted to continue to engage in trust and estate administration activities as described in your letter; and (iv) Bank of Ireland Global Markets be permitted to continue to engage in structured product related activities as described in your letter.

We have attached a copy of your correspondence to avoid reciting the facts set forth therein. Unless otherwise noted, each defined term in our response has the same meaning as defined in your letter.

Response:

Based on the facts and representations that you have made in your letter, but without necessarily concurring with your analysis, the Commission hereby grants Bank of Ireland an exemption from Rule 102 of Regulation M to permit the Bank of Ireland Life, Bank of Ireland Private Banking, Bank of Ireland Trust Services, and Bank of Ireland Global Markets (collectively, the "Companies") to continue to engage in the

transactions described in your letter. In particular, in your correspondence you make the following key representations:

- During the twelve months ended May 9, 2011, the worldwide average daily trading volume (“ADTV”) of Ordinary Stock was approximately 64.6 million units of Ordinary Stock (including the units of Ordinary Stock represented by ADSs), or approximately €36.2 million (or approximately U.S.\$51.7 million at May 9, 2011 exchange rates) in value;
- Bank of Ireland’s market capitalization as of May 9, 2011, was approximately €1,229 million (or approximately U.S.\$1,757 million at May 9, 2011 exchange rates);
- The Ordinary Stock represented 1.8% of the ISEQ® Overall Index, 59% of the ISEQ® Financial Index, and 2.2% of the ISEQ® 20 Index as of May 9, 2011;
- The principal trading markets for the Ordinary Stock are Ireland, the United Kingdom (“U.K.”), and the U.S. Trading on the ISE and LSE accounted for approximately 47.6% of the worldwide average daily trading volume in the Ordinary Stock (including the units of Ordinary Stock represented by ADSs) during the 12 months ended May 9, 2011, and trading in the U.S. accounted for approximately 40% of the worldwide average daily trading volume in Ordinary Stock (including the units of Ordinary Stock represented by ADSs) during the 12 months ended May 9, 2011;
- Bank of Ireland has established information barriers to prevent price-sensitive information from passing between any area in which Market Activities are conducted and any other area of Bank of Ireland in which price-sensitive information relating to the Ordinary Stock, including information relating to the Transactions, would be available;
- All of the Market Activities together conducted by the Companies as described in your letter represented less than 2%¹ of the worldwide average daily trading volume of the Ordinary Stock (including the units of Ordinary Stock represented by ADSs) for the 12 months ended May 9, 2011;
- Each of the Companies conducts the activities for which it is requesting relief outside the U.S., and

¹ As noted in your letter, this number is reduced to less than 1% if activities by BIAM and BOISS, which have been sold, are excluded.

- Each of the Companies has confirmed that the activities for which it is requesting relief will be conducted in the ordinary course of its businesses and in accordance with the applicable laws of Ireland, the U.K. and other non-U.S. laws.

The exemption is subject to the following conditions:

1. None of the transactions of the Companies described in your letter shall occur in the U.S.;
2. All of the transactions described in your letter shall be effected in the ordinary course of business and not for the purpose of facilitating the Transactions;
3. The Transactions documents distributed to U.S. holders will disclose the possibility of, or the intention to make, the transactions described in you letter;
4. Bank of Ireland and each of the Companies will provide to the Division of Trading and Markets ("Division"), upon request, a time-sequenced schedule of all such transactions made during the Restricted Period. Such schedule will include:
 - (a) size, broker (if any), time of execution, and price of the transactions;
 - (b) the exchange, quotation system, or other facility through which the transactions occurred, and
 - (c) whether the transactions were made for a customer account of a proprietary account;
5. Upon request of the Division, Bank of Ireland and each of the Companies will transmit the information requested in item 4 (above) to the Division at its offices in Washington DC within 30 days of its request;
6. Bank of Ireland and each of the Companies shall retain all documents and other information required to be maintained pursuant to this exemption for at least two years following the completion of the Transactions;
7. Representatives of Bank of Ireland and each of the Companies shall be made available (in person at the offices of the Commission in Washington, DC or by telephone) to respond to inquiries of the Division relating to their records; and
8. Except as otherwise exempted by this letter, Bank of Ireland and each of the Companies will comply with Regulation M.

The foregoing exemption from Rule 102 of Regulation M is based solely on your representations and the facts presented to the staff and is strictly limited to the application of this rule to the proposed transactions. Such transactions should be discontinued,

John O'Connor, Esq.
June 7, 2011
Page 4 of 4

pending presentation of the facts for our consideration, in the event that any material change occurs with respect to any of those facts or representations.

In addition, your attention is directed to the anti-fraud and anti-manipulation provisions of the Exchange Act, including Sections 9(a) and 10(b), and Rule 10b-5 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws must rest with the participants in the various transactions. The Division expresses no view with respect to any other questions that the proposed transactions may raise, including, but not limited to, the adequacy of disclosure concerning, and the applicability of any other federal or state laws to, the proposed transactions.

For the Commission,
by the Division of Trading and Markets,
pursuant to delegated authority,

A handwritten signature in black ink, appearing to read 'J. J. Tao', is written over a faint, illegible stamp or watermark.

Josephine J. Tao
Assistant Director

Attachment

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June 7, 2011

Division of Trading and Markets,
Securities and Exchange Commission,
100 F Street, N.E.,
Washington, D.C. 20549,
United States of America.

Attention: Josephine J. Tao, Assistant Director

Re: The Governor and Company of the Bank of Ireland: Request for
Exemptive Relief from Rule 102 of Regulation M

Dear Ms. Tao:

We are writing on behalf of our client, The Governor and Company of the Bank of Ireland, established in Ireland by charter and having limited liability ("Bank of Ireland"), about the application of Regulation M to certain transactions by Bank of Ireland and its affiliates (the "Bank of Ireland Affiliates", and each a "Bank of Ireland Affiliate") in the ordinary stock of Bank of Ireland (the "Ordinary Stock"), including in the form of American Depositary Shares ("ADSs"), each representing the right to receive four units of Ordinary Stock, during the distribution of new units of Ordinary Stock in connection with Bank of Ireland's proposed rights issue (the "Rights Issue") and debt for equity exchange offers (the "Exchange Offers" and, together with the the Rights Issue, the "Transactions" and each, a "Transaction") as further described below.

Specifically, on behalf of Bank of Ireland, we ask the Commission to grant exemptive relief from Rule 102 of Regulation M to permit Bank of Ireland and Bank of Ireland Affiliates to continue to engage, in the ordinary course of business as described below and in accordance with applicable local laws, in the following activities outside the United States during the Restricted Period (as defined below). In connection with the relief requested by Bank of Ireland, please note that similar relief from Rule 102 of

Regulation M was granted by the Staff to Bank of Ireland under the exemptive letter dated April 22, 2010.¹

- ***Insurance and Pension Product Related Activities by Bank of Ireland Life:*** Bank of Ireland's life insurance and pension division ("Bank of Ireland Life"), including Bank of Ireland Life Holdings Ltd. and New Ireland Assurance Company PLC, offers life assurance, protection, pensions and investment products and invests the premiums received from its clients into funds, accounts and portfolios (the "Life Funds") which may contain Ordinary Stock or ADSs. The Life Funds are managed by third-party asset managers appointed by Bank of Ireland Life. Bank of Ireland Life markets and sells insurance products solely outside the United States, primarily in Ireland.
- ***Investment Advisory and Asset Management Activities by Bank of Ireland Private Banking:*** Bank of Ireland Private Banking Limited ("Bank of Ireland Private Banking") provides certain wealth management services to high net worth individuals in Ireland. As part of its ordinary activities, Bank of Ireland Private Banking provides investment advice which may result in clients purchasing investment products, including funds and indices that may contain Ordinary Stock or ADSs. Funds in which Bank of Ireland Private Banking's clients may invest are generally managed by third-party asset managers. Bank of Ireland Private Banking conducts its investment advisory activities solely outside the United States, primarily in Ireland. Following the sale by the Bank of Ireland of virtually all of its asset management division, Bank of Ireland Asset Management ("BIAM") to a third party in January 2011, Bank of Ireland Private Banking has been authorised by the Irish Financial Regulator (as defined below) to provide certain fund management activities which had previously been provided by BIAM. Bank of Ireland Private Banking (in conjunction with Bank of Ireland Asset Management (U.S.) Limited, the remaining asset manager held by Bank of Ireland) now manages the assets of two collective investment schemes as well as segregated investment portfolios. As part of its ordinary asset management activities, Bank of Ireland Private Banking may buy and sell units of Ordinary Stock for the collective investment

¹ See Bank of Ireland, SEC No-Action Letter, File No. TP 10-24 (Apr. 22, 2010).

schemes and their customers' portfolio accounts that Bank of Ireland Private Banking manages. The market activities of Bank of Ireland Private Banking are conducted outside the United States primarily in Ireland and the United Kingdom.² Buy and sell orders of Bank of Ireland Private Banking are executed through third-party broker-dealers outside the United States, principally in Ireland through the facilities of the Irish Stock Exchange (the "ISE") and in the United Kingdom through the facilities of the London Stock Exchange (the "LSE").³

- ***Trading in Ordinary Stock by Bank of Ireland Trust Services:*** Bank of Ireland Trust Services, a unit of Bank of Ireland, acts as trustee or executor of testamentary, *inter vivos* and charitable trusts as well as estates (collectively, the "Trusts and Estates"). While Bank of Ireland Trust Services is currently in the process of exiting its business, as part of its responsibilities, Bank of Ireland Trust Services from time to time arranges the purchase and sale of securities, including units of Ordinary Stock, for the accounts of the Trusts and Estates upon the advice provided by third-party advisers appointed to provide investment advice in respect of the assets of the Trusts and Estates. The market activities of Bank of Ireland Trust Services are conducted solely outside the United States, primarily in Ireland.
- ***Structured Product Related Activities by Bank of Ireland Global Markets:*** Bank of Ireland Global Markets, a unit of the Capital Markets division of Bank of Ireland, originates, designs, markets and sells structured products, for its own account or the account of its customers, including Bank of Ireland Private Banking. These structured products include tracker bonds relating to indices or

² To the extent that Bank of Ireland Affiliates or jurisdictions in which or facilities through which such Affiliates conduct their Market Activities are identified in this letter, such identifications are intended to illustrate the main Bank of Ireland Affiliates, jurisdictions and facilities involved in the Market Activities. Bank of Ireland is requesting relief to cover the conduct of the Market Activities by all Bank of Ireland Affiliates, in all jurisdictions and on all facilities, whether or not such Bank of Ireland Affiliates, jurisdictions or facilities are specifically identified in this letter. However, Bank of Ireland does not conduct Market Activities in the United States and, therefore, no relief is requested in respect of activities in the United States.

³ We have been advised that Bank of Ireland does not engage in broker-dealer activities and all of Bank of Ireland Affiliates' dealing activities are executed via third-party broker-dealers acting as principals or agents.

baskets which may contain the Ordinary Stock or ADSs. The market activities of Bank of Ireland Global Markets are conducted solely outside the United States, primarily in Ireland and the United Kingdom.

We refer to these activities collectively as the “Market Activities”.

The availability of the exemption that Bank of Ireland is requesting would be conditioned on the disclosure and record-keeping undertakings outlined below.

Bank of Ireland has provided us with, and authorized us to make on its behalf, the factual representations set forth in this letter about the market for the Ordinary Stock and ADSs and the activities of Bank of Ireland Affiliates.

I. The Market for the Ordinary Stock and ADSs

As of May 9, 2011, Bank of Ireland had, issued and outstanding, 5,299,413,620 units of Ordinary Stock (including approximately 624 million units represented by ADSs). As of May 9, 2011, Bank of Ireland’s market capitalization was approximately €1,229 million (or approximately US\$1,757 million at the exchange rates prevailing on May 9, 2011), making Bank of Ireland the 12th largest company in the ISEQ® 20 Index, which includes the 20 most liquid and largest capped equities quoted on the ISE, in terms of market capitalization at that time. The worldwide average daily trading volume of the Ordinary Stock for the 12 months ended May 9, 2011 was approximately 64.6 million units of Ordinary Stock (including the units of Ordinary Stock represented by ADSs), or approximately €36.2 million (approximately US\$51.7 million at the exchange rates prevailing on May 9, 2011) in value.

The Ordinary Stock is listed on the official lists of the ISE and the U.K. Listing Authority (the “UKLA”) and is admitted to trading on the main markets for listed securities on the ISE and the LSE. The United States, Ireland and the United Kingdom are the principal trading markets for the Ordinary Stock. During the 12 months ended May 9, 2011, the average daily trading volume of the Ordinary Stock on the ISE was approximately 15.3 million units of Ordinary Stock, or approximately €8.7 million (approximately US\$12.4 million at the exchange rates prevailing on May 9, 2011) in value, while the average daily trading volume on the LSE was approximately 14.0 million units of Ordinary Stock, or approximately €7.4 million (approximately US\$10.6 million at the exchange rates prevailing on May 9, 2011) in value. During the same period, the combined average daily trading volume of the Ordinary Stock on the ISE and LSE represented approximately 47.6% of the worldwide average daily trading volume in the Ordinary Stock (including the units of Ordinary Stock represented by ADSs).

The Bank of Ireland is a foreign private issuer as defined in Rule 3b-4(c) under the Securities Exchange Act of 1934 (the "Exchange Act") and is subject to the information reporting requirements of the Exchange Act. The Ordinary Stock and ADSs are listed on the NYSE, although only ADSs are traded on the NYSE. During the 12 months ended May 9, 2011, the average daily trading volume of ADSs in the United States was approximately 6.2 million ADSs, each of which represents four units of Ordinary Stock, or approximately €14.7 million (approximately US\$21.0 million at the exchange rates prevailing on May 9, 2011) in value. This represented approximately 40% of the worldwide average daily trading volume in the Ordinary Stock (including the units of Ordinary Stock represented by ADSs).

The ISE is the principal regulated exchange for the trading of equities and Government bonds in Ireland. Equities are traded on the ISE Xetra[®] trading platform, which is the electronic system of the ISE facilitating trading in order book securities (which include, among others, equity securities admitted to trading on the ISE's main market). The listing of securities on the official list of the ISE and the admission to trading on the main market of the ISE are subject to the ISE's Listing Rules. The ISE has been delegated authority by the Central Bank of Ireland in respect of certain matters relating to the EU Prospectus Directive and the EU Transparency Directive and operates within the requirements of the European directives relating to financial markets, as further described below.

A number of key market indices are calculated and published by the ISE. These market indices include, among others, the ISEQ[®] Overall Index, which is a capitalization-weighted index of all equity securities listed on the official list of the ISE (excluding U.K. registered companies), and its sub-indices, including, among others, the ISEQ[®] Financial Index, which includes equity securities of the five financial groups currently quoted on the ISE, and the ISEQ[®] 20 Index. The Ordinary Stock represented 1.8% of the ISEQ[®] Overall Index, 59% of the ISEQ[®] Financial Index, and 2.2% of the ISEQ[®] 20 Index as of May 9, 2011.

The LSE is the principal London exchange for equity and bond trading. The listing of securities is subject to the Listing Rules of the UKLA and the LSE's own Admission and Disclosure Standards. The LSE is also a prescribed market for the purposes of the market abuse regime in the United Kingdom, as further described below.

Units of Ordinary Stock are also traded off-exchange in European OTC markets. During the 12 months ended May 9, 2011, the average daily trading volume of units of Ordinary Stock traded off-exchange as reported by Markit BOAT was approximately 7.0 million units of Ordinary Stock, or approximately €3.8 million (approximately US\$5.4 million at the exchange rates prevailing on May 9, 2011) in value

and represented approximately 12.4% of the worldwide average daily trading volume in the Ordinary Stock (including the units of Ordinary Stock represented by ADSs).⁴

II. The Market Activities for Which Relief Is Sought

Bank of Ireland is one of the largest financial services groups in Ireland with total consolidated assets of €167.5 billion as of December 31, 2010 (approximately US\$223.8 billion at the exchange rates prevailing on December 31, 2010). Bank of Ireland provides a broad range of financial services, primarily in Ireland, with selected services being offered in the United Kingdom and internationally. Specifically, Bank of Ireland has a vast network of retail branches in Ireland providing consumer financial services, as well as a range of banking and financial services, including business and corporate lending, international asset financing, leasing, instalment credit, debt factoring, foreign exchange facilities, interest and exchange rate hedging instruments, executor, trustee, life assurance and pension and investment fund management, fund administration and custodial services and financial advisory services. In the United Kingdom, Bank of Ireland operates mainly through a grouping of businesses consisting of the mortgage business, the retail branch network in Northern Ireland, the business bank, which has offices across the United Kingdom and its consumer financial services joint ventures with the U.K. Post Office. The U.K. financial services subsidiary provides lending, savings, insurance and investment products to commercial and retail customers. International operations are undertaken by Corporate Banking, which is engaged in international lending, with offices located in the United Kingdom, France, Germany, and the United States; Global Markets, which delivers a range of risk management products to the Bank of Ireland group's customers.⁵

Bank of Ireland has confirmed that the Market Activities, for which it is requesting relief, are permitted under and would be conducted in accordance with applicable Irish, U.K. and other local laws. In addition, Bank of Ireland has confirmed that, for the 12 months ended May 9, 2011, the average daily trading volume of the Market Activities accounted for less than two percent⁶ of the worldwide average daily

⁴ Markit BOAT is an OTC trade reporting venue for the European cash equity market.

⁵ As noted above, we have been advised that Bank of Ireland does not engage in any broker-dealer activities in Ireland or elsewhere.

⁶ This figure takes into account the worldwide average daily trading volumes for Ordinary Stock (including units of Ordinary Stock represented by ADSs) of (i) BIAM, which was sold in January 2011, and (ii) Bank of Ireland Security Services ("BOISS"). BOISS offers administration and custodial services to a number of funds and specialized products, engages in agency stock lending transactions, and in the ordinary course of business lends securities, including units of Ordinary Stock and ADSs, to market counterparties for the accounts of its customers. Pursuant to an agreement dated January 23, 2011, Bank of Ireland agreed to sell BOISS to a third party. This sale completed on June 1, 2011. If

trading volume of the Ordinary Stock (including units of Ordinary Stock represented by ADSs).

Insurance and Pension Product Related Activities by Bank of Ireland Life.

Bank of Ireland Life offers life assurance, protection, pensions and investment products and invests the premiums received from its clients in the Life Funds which may contain the Ordinary Stock or ADSs. The Life Funds are managed by third-party asset managers that are appointed by Bank of Ireland Life.⁷ Under Irish and U.K. law, Bank of Ireland Life has a fiduciary duty to the purchasers of insurance policies to oversee the investments with respect to those policies in a manner that is in the best interests of those purchasers. Bank of Ireland Life's guidelines establish an overall maximum limit on the aggregate holding of units of Ordinary Stock (including units represented by ADSs) across the Life Funds at 100 million units, currently representing less than one percent of the total number units of Ordinary Stock (including units represented by ADSs) in issue as of May 9, 2011. As of the same date, the Life Funds held an aggregate of approximately 5.3 million units of Ordinary Stock (including units represented by ADSs), representing approximately 0.1% of the total number of units of Ordinary Stock (including units represented by ADSs) in issue.

Bank of Ireland Life markets and sells insurance and pension products solely in the ordinary course of business and not in contemplation of the Transactions. These activities are conducted solely outside the United States, primarily in Ireland.

Investment Advisory & Asset Management Activities by Bank of Ireland Private Banking. As part of its business activities, Bank of Ireland Private Banking provides investment advice, which may result in clients purchasing investment products, including funds and indices that may contain the Ordinary Stock or ADSs. Under applicable Irish law, and subject to the terms of any contractual arrangements in effect from time to time between Bank of Ireland Private Banking and its customers, Bank of Ireland Private Banking has a fiduciary duty to conduct its investment advisory management activities in a manner that is in the best interests of its clients and is restricted by contract and/or by law from taking into account any factors other than the interests of its clients in providing investment advice. Bank of Ireland Private Banking does not engage in stock broking or stock advisory investment activities, and does not manage clients' portfolios under discretionary mandates.

the relevant figures for BIAM and BOISS are removed from this calculation, the worldwide average daily trading volumes in Ordinary Shares (including ADSs) would be less than one percent.

⁷ A very small proportion of funds are self-administered funds, which are pension funds arranged and controlled by the relevant policyholder, and not Bank of Ireland Life. Bank of Ireland Affiliates have no control over self-administered funds. Bank of Ireland is not requesting relief to cover the dealings of these self-administered funds.

Accordingly, Bank of Ireland Private Banking would be restricted by contract and/or by law from following a directive by Bank of Ireland to cease advising its clients to invest in funds or indices including the Ordinary Stock or ADSs during the Restricted Period, unless Bank of Ireland Private Banking believed that these steps were in the best interests of its customers. Similarly, Bank of Ireland Private Banking would be restricted by contract and/or by law from following a Bank of Ireland directive to advise its clients to purchase funds or indices including the Ordinary Stock or ADSs unless it independently concluded that such advice was in the best interests of its clients.

Bank of Ireland Private Banking engages in its investment advisory activities solely in the ordinary course of business and not in contemplation of the Transactions. These activities are conducted, solely outside the United States, primarily in Ireland.

Bank of Ireland Private Banking also manages the assets of certain collective investment schemes and segregated investment portfolios.

Under applicable Irish law and other applicable law, Bank of Ireland Private Banking has fiduciary or similar duties to oversee the funds' investments in a manner that is in the best interests of the beneficiaries of the funds that it manages. In addition, Bank of Ireland Private Banking has fiduciary or similar duties to make recommendations as to investments by those client's funds that are non-discretionary funds in a manner that is in the best interests of the beneficiaries of those funds. Bank of Ireland Private Banking also has a contractual duty to follow the investment instructions of the beneficiaries of the funds.

Bank of Ireland Private Banking engages in its asset management activities solely in the ordinary course of business and not in contemplation of the Transactions. These activities are conducted solely outside of the United States, from Bank of Ireland Private Banking's office located in Dublin, Ireland. Trades are executed via third-party broker-dealers or Bank of Ireland Global Markets acting as principals or agents on any of a number of exchanges and trading facilities or in over-the-counter transactions outside the United States, primarily in Ireland through the facilities of the ISE and in the United Kingdom through the facilities of the LSE.⁸

Trading in Ordinary Stock by Bank of Ireland Trust Services. Bank of Ireland Trust Services provides administration services to the Trusts and Estates. While Bank of Ireland Trust Services is currently in the process of exiting its business, as part of its responsibilities Bank of Ireland Trust Services from time to time arranges the purchase or sale of units of Ordinary Stock for the accounts of Trusts and Estates upon the advice

⁸ To the extent permitted under applicable U.S. and local law, certain Asset Managers may conduct their Market Activities outside of the United States on behalf of customers located in the United States.

of third-party advisers appointed to provide investment advice in respect of the assets of the Trust and Estates. Bank of Ireland Trust Services has fiduciary or similar duties under applicable Irish law to administer the Trusts and Estates in accordance with such advice. Bank of Ireland Trust Services does not exercise any investment discretion over the assets of the Trusts and Estates.

Bank of Ireland Trust Services engages in its trust and estate administration activities solely in the ordinary course of business and not in contemplation of the Transactions. These activities are conducted solely outside the United States, primarily in Ireland.

Structured Product Related Activities by Bank of Ireland Global Markets.

Bank of Ireland Global Markets originates, designs, markets and sells structured products for its own account or the account of its customers, including Bank of Ireland Private Banking. These structured products include mostly tracker bonds relating to indices or baskets which may contain the Ordinary Stock or ADSs. When originating such structured products, Bank of Ireland Global Markets does not directly buy or sell securities but enters into over-the-counter derivative transactions, including equity swaps, providing an exposure to the return of a given basket or index with counterparty investment banks.

Bank of Ireland Global Markets engages in its structured products related activities solely in the ordinary course of business and not in contemplation of the Transactions. These activities are conducted solely outside the United States, primarily in Ireland and the United Kingdom.

III. The Transactions⁹

Bank of Ireland proposes to generate an aggregate of approximately €4.3 billion of new capital (approximately US\$6.3 billion at current exchange rates) through the Transactions expected to be announced on or around June 8, 2011.¹⁰ The Transactions are conditional upon the prior approval by Bank of Ireland's ordinary stockholders at an extraordinary meeting expected to take place on or around July 11, 2011 (the "Extraordinary General Court").

The combined total amount of capital generated under the Rights Issue and the Exchange Offers and related processes is proposed to be approximately €4.3

⁹ The actual amount of proceeds, in the aggregate and for each particular Transaction, and the actual dates of events contemplated in relation to the Transactions in this Section III may vary.

¹⁰ The Transactions will also involve the acquisition by the National Pensions Reserve Fund Commission (the "NPRFC"), which holds a 36% stake in the Bank Ireland, of its *pro rata* entitlement.

billion (US\$6.3 billion at current exchange rates). The size of the Rights Issue will be adjusted depending upon the outcome of the Exchange Offers.¹¹ The units of Ordinary Stock to be issued in the Rights Issue (the "Rights Issue Stock") are expected to be fully underwritten by the Irish Government. The Rights Issue price per unit and the exercise ratio will be determined in advance of the Extraordinary General Court. The subscription period will last approximately 10 business days from the allocation date, which is currently expected to occur on or around July 12, 2011. Subscriptions may be taken up at any time during the subscription period.

Units of Rights Issue Stock that are not taken up in the Rights Issue are expected to be offered by the placing banks on or about the business day after the subscription period of the Rights Issue ends to investors at a price per unit of Ordinary Stock that is at least equal to the aggregate of the Rights Issue price and the expenses of procuring such investors (the "Rump Offering"). To the extent units of Rights Issue Stock are not so placed in the Rump Offering, they will be subscribed for by the NPRFC at the Rights Issue price. Closings of the Rights Issue and Rump Offering are expected to occur on or about July 26, 2011 and July 29, 2011, respectively.

The Exchange Offers will provide certain holders of certain Tier 1 and Upper Tier 2 securities issued or guaranteed by Bank of Ireland with the opportunity to exchange these securities for securities mandatorily exchangeable for units of Ordinary Stock issued by the Bank (the "Debt for Equity Stock") or cash, to be made in private placement transactions. The value of Debt for Equity Stock and cash proceeds for exchanging holders will incorporate a discount to the nominal value of the securities to be exchanged. The acceptance period for the U.S. Exchange Offer is scheduled to last 20 business days.

Bank of Ireland expects to apply for admission of the units of Rights Issue Stock and Debt for Stock to listing on the official lists of the ISE and the UKLA and trading on the main markets of the ISE and the LSE for listed securities.

Under each Transaction, units of Ordinary Stock will be offered to non-US Persons outside the United States in accordance with Regulation S under the Securities Act of 1933 (the "Securities Act"), and units of Ordinary Stock will be offered in private transactions in the United States and to US Persons solely to investors that are qualified institutional buyers ("QIBs") within the meaning of Rule 144A under the Securities Act.

¹¹ The size of the Rights Issue is expected to be reduced by the capital (i) generated by Bank of Ireland in the Exchange Offers and a related bondholder consent process; and (ii) expected to be generated from steps to be taken by the Minister of Finance following the Minister's announcement of May 31, 2011 relating to the Minister's intention to ensure burden sharing by holders of subordinated debt remaining outstanding after the Exchange Offers.

No Bank of Ireland Affiliate will participate in any of the Transactions as a distribution participant.

IV. Application of Regulation M

In connection with the Transactions, Bank of Ireland will offer units of Rights Issue Stock and Debt for Equity Stock to QIBs. As a result, Bank of Ireland will be considered to be engaged in a distribution in the United States for purposes of Regulation M. Subject to enumerated exceptions, Rule 102 of Regulation M makes it unlawful for an issuer or affiliated purchaser, directly or indirectly, to bid for, purchase, or attempt to induce any person to bid for or purchase a covered security during the applicable restricted period. Bank of Ireland has assumed that, under Regulation M, the restricted period for the distribution (the "Restricted Period") will commence on the day offering materials are mailed to noteholders in conjunction with the Exchange Offers, and end upon completion of the Exchange Offers and Rights Issue. The Bank of Ireland expects that the continuous Restricted Period, therefore, is likely to last approximately eight weeks.

As subsidiaries or separately identifiable departments of Bank of Ireland that regularly purchase securities for their own accounts and/or the accounts of others or recommend and exercise investment discretion with respect to the purchase of securities, Bank of Ireland Affiliates may be deemed to be "affiliated purchasers" of the issuer, as defined in Rule 100 of Regulation M.¹² Accordingly, their market activities may be subject to Rule 102 throughout the Restricted Period. No Bank of Ireland Affiliate will participate in the Transactions as a distribution participant and, therefore, Rule 101 will not apply. As such, Bank of Ireland requests relief for the Market Activities under Rule 102.

Under Rule 102, Bank of Ireland Affiliates would not be permitted to bid for or purchase, or attempt to induce any person to bid for or purchase, units of Ordinary Stock or ADSs during the Restricted Period, except to the extent that one of the specified exceptions under the applicable rule is available. There are no exceptions available under Rule 102 that would permit Bank of Ireland Affiliates to engage in the Market Activities described in Section II of this letter. Therefore, without the requested exemptive relief, Bank of Ireland Affiliates would not be permitted to engage in their respective activities for the entire duration of the Restricted Period.

¹² Certain Bank of Ireland Affiliates may qualify for the exception to the definition of "affiliated purchaser" set forth in paragraphs (3)(i)-(iii) thereof, but insofar as at least some Bank of Ireland Affiliates have officers and employees in common with Bank of Ireland that direct, effect or recommend transactions in securities, the exception will not be available to all Bank of Ireland Affiliates.

The Life Funds marketed and sold by Bank of Ireland Life are managed by third-party asset managers appointed by Bank of Ireland. These asset managers have fiduciary or similar duties under applicable local law to invest the insurance premiums in the best interests of the policyholders. In addition, Bank of Ireland believes that given the overall holding limit currently set across the Life Funds at less than 3.5% of the total number of units of Ordinary Stock (including units represented by ADSs) in issue, and given that Bank of Ireland Life markets and sells the Life Funds in the ordinary course of business, bids for and purchases of units of Ordinary Stock and ADSs that may be deemed to derive from Bank of Ireland Life's activities are unlikely to have a significant effect on the market price of the Ordinary Stock and/or ADSs. As of May 9, 2011, the Life Funds held in aggregate less than 0.1% of the total number of units of Ordinary Stock (including units represented by ADSs) in issue.

Bank of Ireland Private Banking has fiduciary or similar duties under applicable local law to provide investment advice to its clients in their best interests. Accordingly, Bank of Ireland Private Banking would be restricted by such duties from advising its clients to invest in funds and indices including the Ordinary Stock or ADSs unless Bank of Ireland Private Banking believed that such investments were in the best interests of its clients. Bank of Ireland Private Banking does not engage in stock broking or stock advisory investment activities, and does not manage clients' portfolios under discretionary mandates.

Similarly, Bank of Ireland Trust Services has fiduciary or similar duties under applicable local law to arrange the purchase and sale of units of Ordinary Stock or ADS for the account of the Trusts and Estates in accordance with the investment advice provided by appointed third party advisers managing the assets of the Trusts and Estates. Bank of Ireland Trust Services does not exercise any investment discretion over the assets of the Trusts and Estates.

The origination, design, marketing and sale of structured products by Bank of Ireland Global Markets does not constitute bids for or purchases of units of Ordinary Stock or ADSs. Nevertheless, Bank of Ireland believes that structured product-related activities could be seen as an attempt to induce counterparty investment banks to hedge themselves and/or unwind hedges and possibly purchase or sell units of Ordinary Stock or ADSs. Because structured products are generally tailored instruments marketed and sold to a limited number of customers, Bank of Ireland believes that any purchases of or bids for units of Ordinary Stock or ADSs that may be deemed to result from these activities has not had and will not have any significant effect on the market price of the Ordinary Stock and/or ADSs.

All of the foregoing activities historically have represented a small proportion of all trading in units of the Ordinary Stock (including units represented by ADSs), and for the 12 months ended May 9, 2011, Bank of Ireland believes that the

average daily volume of the Ordinary Stock traded pursuant to all the foregoing activities combined represented less than two percent of the worldwide average daily trading volume of the units of Ordinary Stock (including units of Ordinary Stock represented by ADSs) (and less than one percent if activities by BIAM and BOISS, which have been sold¹³, are excluded).

Bank of Ireland also notes that it has established information barriers to prevent price-sensitive information from passing between any area in which Market Activities are conducted and any other area of Bank of Ireland in which price-sensitive information relating to the Ordinary Stock, including information relating to the Transactions, would be available. Accordingly, during restricted periods prior to announcements of earnings results or other material developments that have not yet become public, the Bank of Ireland Affiliates are generally able to continue their respective Market Activities. Bank of Ireland will continue to maintain these information barriers during the distribution of the Rights Issue Stock and Debt for Equity Stock in connection with the Transactions. Furthermore, the Bank of Ireland Affiliates will continue to conduct their Market Activities in the ordinary course of business, and any involvement in those activities by senior management will take place in the ordinary course of business and will not be intended to influence the Market Activities in light of the Transactions.

The Market Activities described in this letter are important aspects of the Bank of Ireland business and, therefore, interrupting those activities for such an extended period could have an adverse impact on Bank of Ireland's business.

The Ordinary Stock and ADSs would easily qualify as actively traded securities that are exempt under Rule 101(c)(1) of Regulation M, with an average daily trading volume in the 12 months ended May 9, 2011 of approximately €36.2 million (or approximately US\$51.7 million at the exchange rates prevailing on May 9, 2011) and a public float value in excess of US\$1.8 billion as of May 9, 2011.¹⁴ Regulation M normally would not interfere with market-making and other market activities in actively traded securities, such as the Ordinary Stock and ADSs. However, because the Bank of Ireland Affiliates are affiliated purchasers of the issuer, they may not rely on the actively traded securities exception to do what affiliates of large U.S. issuers are normally allowed to do during distributions by those issuers.

¹³ As noted above, BIAM was sold to a third party in January 2011, and BOISS was sold on June 1, 2011, pursuant to a sale agreement dated January 23, 2011.

¹⁴ Bank of Ireland's free float as of May 9, 2011 is calculated based on 3,399,538,785 units of Ordinary Stock admitted to the official list of the ISE.

In addition, while the exemption for transactions in Rule 144A securities under Rule 102(b)(7) would not be available, in the United States and to U.S. Persons the Transactions will be made only to QIBs in private placement transactions exempt from registration. Therefore, a key element of the rationale for this exemption would apply with regard to the Transactions nonetheless: the U.S. distribution will be made in private placements solely to QIBs, which are large, sophisticated investors that are able to "obtain, consider and analyze market information" and are therefore able to understand and minimize the risks that are the focus of Regulation M.¹⁵

Bank of Ireland believes that the risk of market manipulation by Bank of Ireland Affiliates is limited by: (1) the information barrier policies and procedures that they have in place; (2) the fiduciary duties to which certain Bank of Ireland Affiliates are subject; (3) the fact that the Market Activities are ordinary course market activities of the Bank of Ireland Affiliates rather than activities commenced or managed in contemplation of the Transactions; (4) the fact that the Transactions are being conducted and trading by Bank of Ireland Affiliates is subject to and will be conducted in accordance with applicable Irish, U.K. and other laws; (5) the fact that the Transactions will be made in the United States only to QIBs, which are large, sophisticated investors able to obtain, consider and analyze market information; and (6) as discussed in greater detail below, applicable Irish and U.K. laws provide important safeguards against the type of risk of abuse that Regulation M is designed to prevent.

For the foregoing reasons, Bank of Ireland asks the Staff to provide an exemption from Regulation M that would allow Bank of Ireland Affiliates to continue to engage in the Market Activities during the Restricted Period.

V. The Irish Market Regulatory Regime¹⁶

The key legislation governing market activities and market conduct in Ireland is the EU Stabilisation and Buybacks Regulation and the Market Abuse Directive (Directive 2003/6/EC), as implemented in Ireland by Part 4 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005, the Market Abuse (Directive 2003/6/EC) Regulations 2005 and the Market Abuse Rules of the Irish Financial Services Regulatory Authority (the "Irish Financial Regulator") (whose functions are now performed by the Central Bank of Ireland (the "CBI"). In addition, companies listed on the official list of the ISE, such as Bank of Ireland, must comply with the relevant obligations under the Listing Rules of the ISE, and companies admitted to trading on a regulated market in Ireland (being the main market of the ISE) must comply with the provisions of the Transparency (Directive 2004/109/EC) Regulations 2007 (the

¹⁵ See Release No. 34-38067 (December 20, 1996).

¹⁶ Information included in Section V of this letter has been provided by Irish counsel for Bank of Ireland.

“Transparency Regulations”) and the Transparency Rules of the Irish Financial Regulator (whose functions are now performed by the CBI) in order to meet the transparency and disclosure obligations required under the Irish regulatory regime.

The enforcement body for compliance in market activities and market conduct is the CBI, who has the power to investigate offences under the market abuse regime and can appoint inspectors to investigate and report on suspected offences. The CBI is also the competent authority for the monitoring and enforcement of the Transparency Regulations (although it has delegated certain of its functions as competent authority to the ISE), while the ISE has been delegated authority by the CBI for the monitoring and enforcement of the Listing Rules.

The handling of price sensitive information in Ireland is governed by the market abuse regime (which relates to dealing in, encouraging others to deal in and disclosing of price sensitive or “inside” information in relation to price-affected securities as well as targets, amongst other things, behavior resulting in the illegitimate manipulation or distortion of a qualifying market and imposes both civil and criminal liability).

The Listing Rules and the market abuse legislation also include restrictions on the times and prices at which market purchases may be made.

Companies in Ireland whose shares are traded on the main market of the ISE must comply with the notification rules set out in the Transparency Regulations. The regulations require direct and indirect shareholders of issuers whose shares are traded on a regulated market (such as Bank of Ireland) (as well as holders of certain types of financial instrument relating to those shares) to inform the issuer and the ISE of any changes to major holdings in the issuer’s shares. Notifications are to be made by holders to issuers such as Bank of Ireland not later than two trading days where any holder reaches, exceeds or falls below 3% or any whole percentage figure above 3%. An issuer must on receipt of a notification from a holder make public all information contained in the notification as soon as possible and in any event by no later than the end of the trading day following receipt of the notification.

In order to allow holders to establish whether they need to notify their holding, an issuer must announce the total number of voting rights and capital for each class of shares which it issues (or which it holds as treasury shares) at the end of each calendar month in which there has been a change.

VI. The U.K. Market Regulatory Regime¹⁷

The key legislation and regulation governing market activities and market conduct in the United Kingdom is the Financial Services and Markets Act 2000 (the "FSMA"), the Criminal Justice Act 1993 (the "CJA") and the Code of Market Conduct (the "Code"), as well as the EU Financial Services Action Plan with its measures, the EU Market Abuse Directive (2003/6/EC) and the EC Commission Regulation as regards exemptions for buy-backs and stabilization (2273/2003/EC). In addition, companies listed on the U.K. Official List, such as Bank of Ireland, must comply with the relevant obligations under the Listing Rules, and companies admitted to trading on a regulated market in the United Kingdom (which includes the main market of the LSE) must comply with the Disclosure and Transparency Rules (the "DTR") of the U.K. Financial Services Authority (the "FSA") in order to meet the transparency and disclosure obligations required under the United Kingdom regulatory regime.

The principal enforcement body for transparency and compliance in market activities and market conduct is the FSA, although the U.K. Department for Business, Innovation and Skills has the power to investigate offences under the insider dealing regime and can appoint inspectors to investigate and report on suspected offences. The FSA, in its capacity as the UKLA, is the competent authority for the monitoring and enforcement of the Listing Rules and the DTR.

The handling of price sensitive information in the United Kingdom is governed by the CJA insider dealing regime (which relates to dealing in, encouraging others to deal in and disclosing of price sensitive information in relation to price-affected securities and imposes criminal sanctions). This regime is supplemented by the market abuse regime under the FSMA and the Code (which targets, amongst other things, behavior resulting in the illegitimate manipulation or distortion of a qualifying market and imposes civil liability) and the DTR (which, amongst other things, require prompt disclosure of inside information to the market, subject to certain limited exceptions).

The Listing Rules, the Code and the EC Commission Regulation as regards exemptions for buy-backs and stabilization, which is substantially annexed to the Code, also include restrictions, amongst other things, on the times and prices at which market purchases may be made.

Companies in the United Kingdom whose shares are traded on a regulated market such as the LSE must comply with the vote holder and issuer notification rules under Chapter 5 of the DTR Rules. The rules require direct and indirect shareholders of issuers whose shares are traded on a regulated market (as well as holders of certain types of financial instrument relating to those shares) to inform the issuer and the FSA of any

¹⁷ Information included in Section VI of this letter has been provided by U.K. counsel for Bank of Ireland.

changes to major holdings in the issuer's shares. In particular, a listed company which acquires, or disposes of, its own shares must make public the percentage of voting rights attributable to those shares which it holds in treasury as a result of the transaction as a whole as soon as possible, but in any event not later than four trading days following the acquisition, or disposal, where that percentage reaches, exceeds or falls below the thresholds of 5% or 10% of the voting rights.

VII. Relief Requested

As discussed above, Bank of Ireland is seeking exemptive relief from the application of Rule 102 of Regulation M to permit Bank of Ireland Life, Bank of Ireland Private Banking, Bank of Ireland Trust Services and Bank of Ireland Global Markets to continue to engage in the Market Activities described in Section II of this letter during the Restricted Period.

All of these activities would be conducted in accordance with applicable local law and in the ordinary course of business in Ireland, the U.K. and other non-U.S. markets.

As a condition to the relief being requested, Bank of Ireland will provide disclosure to investors located in the United States and holders of ADSs worldwide that is substantially similar to the following:

“During the distribution of Rights Issue Stock and Debt for Equity Stock, Bank of Ireland and certain of its affiliates have engaged and intend to continue to engage in various dealing activities involving units of Ordinary Stock (including in the form of ADSs). Among other things, Bank of Ireland and certain of its affiliates (1) have offered and intend to continue to offer life assurance, protection, pensions and investment products, investing the premiums received from their clients into funds, accounts and portfolios which may contain Ordinary Stock or ADSs; (2) have purchased and sold and intend to continue to purchase and sell units of Ordinary Stock as part of their ordinary asset management activities; (3) have purchased and sold and intend to continue to purchase and sell units of Ordinary Stock for the accounts of certain Trusts and Estates upon the advice provided by third-party advisors appointed to provide investment advice in respect of the assets of such Trusts and Estates; (4) have marketed and sold and intend to continue to market and sell structured products for their own account or the account of their customers, which include tracker bonds relating to indices or baskets which may

contain Ordinary Stock or ADSs. All of these activities have occurred and are expected to continue to occur in Ireland, the United Kingdom and elsewhere outside the United States.”

As a further condition to the relief being requested, Bank of Ireland will undertake to keep records (“Records”) of the date and time at which any units of Ordinary Stock and ADSs are purchased or sold, the market in which the purchase or sale is effected, the amount of units of Ordinary Stock or ADSs purchased or sold and the price of purchase or sale, for each purchase or sale of units of Ordinary Stock or ADSs that Bank of Ireland and the Bank of Ireland Affiliates make during the Restricted Period (this information will not include any client-specific data, the disclosure of which may be restricted under local law). Bank of Ireland will maintain the Records for a period of two years following the end of the Restricted Period. Upon the written request of the Director of the Division of Trading and Markets of the SEC, Bank of Ireland will make the relevant records available at the SEC’s offices in Washington, D.C.

In connection with the relief requested by Bank of Ireland in this letter, please note that the Commission granted similar relief to the Bank of Ireland under the exemptive letter of April 22, 2010; ING under the exemptive letter of November 19, 2009; Barclays PLC under the exemptive letters of June 16, 2008 and August 7, 2007; UBS AG under the exemptive letters of May 16, 2008 and April 22, 2008; The Royal Bank of Scotland Group plc and ABN AMRO Holding N.V. under the exemptive letters of April 21, 2008 and July 23, 2007; ABN AMRO Holding N.V. under the exemptive letter of August 7, 2007; and Allianz SE under the exemptive letters of March 23, 2007 and April 10, 2003.

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If you have any questions or require any additional information, please contact me at 011 (44) 20 7959 8515.

Sincerely yours,



John O'Connor

cc: Paul Dudek, Esq.
(Division of Corporation Finance
Securities and Exchange Commission)

Brian Kealy
Gabrielle Ryan
(The Governor and Company of the Bank of Ireland)