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October 8, 2002

Division of Market Regulation,
Securities and Exchange Commission,
450 Fifth Street,
Washington, D.C. 20549.

Attention: James A. Brigagliano,
Assistant Director

Re: Request for Exemptive Relief from Rule 14e-5 of the Securities
Exchange Act of 1934

Ladies and Gentlemen:

We are writing on behalf of our client, The Governor and Company of The Bank of Ireland ("BOI"), a financial services company organized under the laws of Ireland, about the application of Rule 14e-5 to certain transactions in ordinary shares of BOI by BOI's Ireland-based broker-dealer subsidiary, J&E Davy Stockbrokers ("Davy").

BOI has approached Abbey National plc ("Abbey"), a public limited company organized under the laws of the United Kingdom, regarding a business combination of BOI and Abbey. On October 7, 2002, BOI issued a press release regarding that approach. Specifically, on behalf of BOI, we ask the Staff to grant Davy exemptive relief from Rule 14e-5 to permit Davy, subject to the conditions set forth in this letter, to continue the following with respect to BOI's ordinary shares:

"Execution-Only" Transactions: Davy executes customer orders, either as principal or agent, on an unsolicited basis. In the case of the transactions pursuant to the requested relief, the initiating order (either buy or sell) would be unsolicited, while the other side of the trade would involve either solicited or unsolicited orders. In some cases, Davy may act as principal, but any position accumulated during any particular trading day as a result of this activity would be reduced to zero by the end of that day. Davy would effect these transactions in the ordinary course of its business as permitted under

applicable Irish and U.K. law. All exempted transactions would be effected in markets outside the United States, namely on the Irish and London Stock Exchanges.

Because the description of the proposed transaction discussed below is preliminary and subject to change, on behalf of BOI, we request that any Staff relief granted not be made public unless we confirm that a definitive transaction has been announced.

I. Background to the Proposed Transaction

BOI's ordinary shares trade on the New York Stock Exchange in the form of American Depository Shares ("ADSs"), although the principal markets for its ordinary shares are the Irish and London Stock Exchanges. BOI estimates that U.S. persons own approximately 20% of its shares. As of Friday, October 4, BOI's market capitalization was approximately €10 billion. Average daily volume on the New York Stock Exchange for BOI ADSs is normally about 1% of the average daily volume of BOI's ordinary shares on the Irish and London Stock Exchanges.

BOI has been considering a possible acquisition of, or combination with, Abbey for several months. On September 18, 2002, the Governor (i.e. the Chairman of the Board) of BOI met with the Chairman of Abbey regarding a possible transaction. Their meeting was followed by a letter the next day from BOI to Abbey outlining a combination proposal for discussion.

Abbey is a U.K. public limited company the ordinary shares of which are listed on the London Stock Exchange. Abbey also has certain capital securities listed on the New York Stock Exchange and its ordinary shares trade in the U.S. in the form of ADSs although they are not listed on the New York Stock Exchange. BOI believes that the U.S. shareholdings of Abbey are less than 5% and could be as low as 1%. As of Friday, October 4, 2002, Abbey had a market capitalization of approximately £7.3 billion.

On Sunday, October 6, 2002, The Sunday Times of London published an article indicating that BOI had approached Abbey about a possible combination. Until that time, BOI had not had any substantive discussions with Abbey representatives. In light of this article and as a result of BOI's obligations under the rules of the Irish and London Stock Exchanges, and the Irish and the U.K. Takeover Panels, BOI issued the attached press release. On October 8, 2002, Abbey issued a press release stating that it believed BOI's proposal not to be in the best interest of Abbey's shareholders. It is, at this time, uncertain as to what the outcome of the proposed transaction will be.

II. Preliminary Proposed Structure of the Transaction

BOI's proposal to Abbey contemplated the following:

- BOI would acquire Abbey through a share and cash offer for Abbey. The offer would be subject to due diligence. The chief executive of BOI would be the chief executive of NewBOI. The enlarged entity would be headquartered and have its tax residence in Ireland.
- It is an essential element of the transaction structure that the enlarged company have a FTSE listing in order to be attractive to certain Abbey shareholders for whom this would be important. Only U.K. registered companies can qualify for FTSE listing. Because BOI is not a UK registered company, in order to achieve the FTSE listing, BOI would establish NewBOI as a U.K. company, which would acquire Abbey. BOI believes that the form of the transaction does not alter its view that this would be an acquisition by BOI of Abbey. This transaction would have been structured as an offer by BOI for Abbey but for the fact it is necessary for the resulting company to be a UK company for FTSE 100 eligibility purposes.
- Shareholders of each of the two companies would receive units consisting of the following: (i) NewBOI ordinary shares and (ii) dividend access shares to be issued by Abbey.
- The NewBOI ordinary shares and dividend access shares could trade only as a unit. The units would be listed in London and Dublin. ADSs representing the units would probably be listed on the New York Stock Exchange.
- As currently contemplated, NewBOI would acquire Abbey by means of a court-approved scheme of arrangement. Under this structure, the issuance of the ordinary shares and related dividend access shares would be exempt from registration pursuant to Section 3(a)(10) of the Securities Act of 1933. Alternatively, given BOI's understanding of the level of Abbey's shareholding in the U.S., Rule 802 should be available.
- The new holding company established by BOI would acquire BOI in a share for share exchange offer as a scheme of arrangement is not available to BOI under existing Irish law. BOI's shareholders in the offer would receive only the NewBOI ordinary shares and Abbey dividend access shares. They would not receive any cash component. If made publicly in the U.S., the exchange offer would require registration under the Securities Act of 1933 and compliance with the tender offer rules. The disclosure document for the scheme would have all of the same material

information, including financial statements, as the prospectus used for the exchange offer.

III. Transactions by Davy

BOI holds 90.44% of the equity shares and 49% of the voting shares of J&E Davy Holdings Limited, the holding company of Davy, a leading Irish stockbroker. The remaining equity and voting interests in J&E Davy Holdings Limited are held by J&E Davy management. In the ordinary course of its business and as permitted by both Irish and U.K. law, Davy effectively acts as a market-maker and broker/dealer in BOI ordinary shares, purchases and sells such shares for discretionary accounts and effects orders for customers or clients. As permitted under applicable Irish and U.K. rules, and if relief is granted by the SEC, Davy would engage in "execution-only" transactions on behalf of its customers acting to fill unsolicited orders by finding counterparties and effecting the trades as agent and/or by acting as counterparty itself and effecting the trades as principal.

On October 7, 2002, Davy suspended its trading activity in BOI ordinary shares, including market-maker, discretionary account and execution-only transactions. Davy would like to effect execution-only transactions, which it is permitted to do under Irish and U.K. law. Currently, local law would not permit Davy to engage in market-making or discretionary transactions, although Davy may seek permission from local regulators to do so. If it obtained such permission, Davy may seek comparable relief from the SEC or its Staff with regard to market-making and discretionary account trading; for now, however, it seeks relief only with regard to execution-only transactions.

Davy is an important participant in the Irish market because it handles approximately 50% of all transactions on the Irish Stock Exchange and approximately 50% of the average trading volume of BOI's ordinary shares dealt on the Irish Stock Exchange and 25% of the average trading volume of BOI's ordinary shares dealt on the London Stock Exchange. Davy rarely, if ever, executes any type of transaction in BOI ordinary shares or ADSs in the United States.

IV. Application of Rule 14e-5

In the event that BOI's press release constituted a "public announcement," the prohibitions of Rule 14e-5 under the Securities Exchange Act of 1934 may apply to certain transactions by Davy in BOI ordinary shares. In that case, BOI and Davy seek exemptive relief initially for Davy to effect "execution-only" transactions but only outside the U.S., principally in Ireland and the United Kingdom, as permitted under the laws and rules of these countries and as outlined above. BOI believes this relief is warranted for several reasons:

First, the principal markets for BOI ordinary shares are Ireland and the United Kingdom and such activity is permitted under the laws of these countries.

Second, the inability of Davy to effect "execution-only" ordinary course transactions for its customers and clients may adversely affect the ability of customers and clients to satisfy their transaction needs as well as the orderly operation of the market for BOI ordinary shares. This problem could be exacerbated by Davy's prominence and importance to that market.

Third, the foregoing would not contravene the purpose of Rule 14e-5. Rule 14e-5 was promulgated so that acquirers would not purchase shares outside of an exchange or tender offer and gain an unfair advantage. The proposed "execution-only" transactions do not fit within this category of transactions because they are customer driven and do not involve purchases by Davy, other than perhaps intraday purchases to facilitate customer orders. Furthermore, the real acquisition "target" here is Abbey, not BOI, and the existence of an exchange offer involving BOI ordinary shares would simply be the result of an unusual transaction structure.

As noted above, Davy would not engage in any transactions in BOI shares in the United States.

V. Relief Requested

BOI requests the following exemptive relief from the application of Rule 14e-5:

- Davy may execute customer orders, either as principal or agent, on an unsolicited basis in respect of BOI shares in the ordinary course of its business as permitted under applicable Irish and U.K. law. In the case of the transactions pursuant to the requested relief, the initiating order (either buy or sell) would be unsolicited, while the other side of the trade would involve either solicited or unsolicited orders.
- Davy may act as principal, but any position accumulated during any particular trading day as a result of this activity would be reduced to zero by the end of that day.
- In connection with the requested relief, Davy undertakes to:
 - Effect all transactions in markets outside of the United States.
 - Maintain customary records (date, time, market, amount and price) of all transactions executed in reliance on this exemption during the period when Rule 14e-5 would otherwise apply, and to maintain those records thereafter for a period of two years.
 - Make those records available to the SEC and its Staff upon request of the Director of the Division of Market Regulation, either at Davy's principal office in Ireland or, if inspection there is not

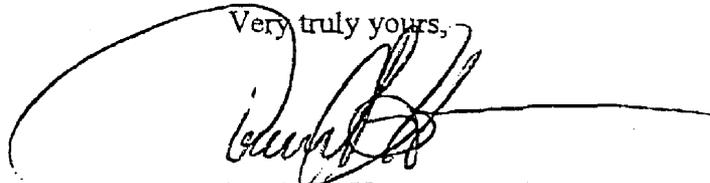
feasible for the SEC or its Staff or if the Director requests and the cost is not unreasonable, to make a copy of the records available to the SEC and its Staff at their offices in Washington, D.C. The information made available would not include client-specific data which may be subject to local privacy laws.

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As discussed above, because the description of the proposed transaction discussed above is preliminary and subject to change, we request that any relief granted by the Staff not be made public unless we confirm that the transaction has been announced.

If you have any questions about this request, please do not hesitate to call David Harms at (212) 558-3882 or Mark Menting at (212) 558-4859. We greatly appreciate your assistance on this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "David B. Harms", is written over a horizontal line. The signature is stylized and cursive.

David B. Harms

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

Finbarr Murphy
(The Governor and Company of The Bank of Ireland)