

Ulster Bank Ireland Limited
Capital Markets

ARIA Multi Asset Managed Index Account



Ulster Bank Ireland Limited. Registered in the Republic of Ireland. Registration Number 25766.
Registered Office Ulster Bank Group Centre, George's Quay, Dublin 2. Ulster Bank Ireland Limited is
regulated by the Financial Regulator. Calls may be recorded.

A New Investment Opportunity

- The ARIA Multi Asset Managed Index Account from Ulster Bank Ireland Limited offers diversified exposure to three Asset Classes, consisting of Equities, Property and Government Bonds.
- The ARIA Multi Asset Managed Index Account is structured as a deposit linked to the performance of the Adagio Index.
- In addition, the ARIA Multi Asset Managed Index Account offers 115% participation in growth, with the benefit of a full capital guarantee at maturity.

The ARIA Multi Asset Managed Index Account offers:

- 100% Capital Guaranteed at maturity.
- 115% Participation in growth.
- Diversified Asset Class Exposure.
- 5 Year Term.

Key Features:

Start Date	8th August 2007
Maturity Date	9th August 2012
Currency	GBP
Capital Guarantee	100%
Underlying	The Adagio Strategy
Participation	115%
Return	At maturity, you receive 115% participation in the growth of the Underlying.
Averaging	Monthly averaging over the final 12 months (13 Observations) The effect of averaging is to protect returns in a falling market, but conversely it may restrict growth in a rising market.
Credit Rating	AA
Price	100

Additional Notes:

Death Benefits	<p>If you die before the investment matures, the investment will continue for the full term in the name of the Executor or Administrator.</p> <p>Alternatively, the funds may be redeemed, subject to normal probate regulations, at the realisable value of the investment at the date of death, as determined by the bank, which may be lower than the initial amount</p>
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	invested.
Withdrawal Features	<p>From the Start Date, withdrawals are permitted subject to the Terms and Conditions, in size of no less than GBP 75,000.</p> <p>These withdrawals will be encashed on a fair value basis, which is the present value of the deposit at the date of withdrawal.</p>
Early Termination	<p>Early termination of the investment is permitted.</p> <p>Similar to withdrawals, the proceeds will be determined on a fair value basis at the date of termination.</p> <p>This may be lower than the initial amount invested.</p>

The Adagio Strategy

A Strategy that selects dynamically from the 3 main asset classes, namely:

- Equities, via an index comprised of blue chip European stocks
- Property, via an index comprised of European real estate stocks
- Government Bonds, via an index comprised of European government bonds

according to the previous 12 monthly returns of each asset class.

It aims to generate annual returns exhibiting maximum smoothness and regularity.

The Index returns are calculated by Standard & Poor's Custom Indices.



Source: Bloomberg

Warning: Past performance is not a reliable guide to future performance.

Warning: The value of your investment may go down as well as up.

References to particular share indices are included only to indicate the basis upon which the return is calculated, not to indicate any association between either Ulster Bank Ireland Limited or the relevant index provider or endorsement of this product by the index provider.

The Product(s) is not sponsored, endorsed, sold or promoted by Bear, Stearns International Limited or any of its subsidiaries (collectively, "Bear Stearns"). Bear Stearns makes no representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the Adagio Strategy (the "Strategy") to track general performance of any market. Bear Stearns' only relationship to the Licensee is the licensing of the strategy which is determined, composed and calculated by Bear Stearns, without regard to the Licensee or the Product(s). Bear Stearns has no obligation to take the needs of the Licensee or the owners of the Product(s) into consideration in determining, composing or calculating the strategy. Bear Stearns is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. Bear Stearns has no obligation or liability in connection with the administration, marketing or trading of the Product(s). The Strategy is the exclusive property of Bear Stearns, which has contracted with Standard & Pools ("S&P") to maintain and calculate the Strategy. S&P shall have no liability for any errors or omissions in calculating the Strategy.

Terms & Conditions

ARIA Multi Asset Managed Index Account

Important Information

Language

These terms and conditions are written in English and all our communication with you will be in English.

Governing Law

The terms and conditions of our agreement with you are governed by the laws of Ireland. You agree that the courts of Ireland will have jurisdiction in relation to any matter relating to this agreement.

Main Business of Ulster Bank

The main business of Ulster Bank Ireland Limited is providing banking services and our principal place of business is Ulster Bank Group Centre, George's Quay, Dublin 2.

We are a limited liability company registered in the Republic of Ireland with the Companies Registration Office, Parnell House, 14 Parnell Square, Dublin 1 under registered number 25766 and we are a licensed bank regulated by the Financial Regulator PO Box 9138, College Green Dublin 2.

The VAT number of Ulster Bank Ireland Limited is IE/9/E/61585W.

Other costs may be incurred by you in connection with the Deposit which are not imposed by us.

1. Definitions

- 1.1 'the Bank', 'we', 'our', 'us' each mean Ulster Bank Ireland Limited.
- 1.2 'you/your' means the customer(s) who is/are depositing an initial deposit in an Account.
- 1.3 'The Deposit' means the ARIA Multi Asset Managed Index Account .
- 1.4 The term of the deposit commences on 8th August 2007, and matures on 9th August 2012.
- 1.5 'Interest' means the gross interest calculated as explained in condition (5) below.
- 1.6 'Start Date' means the 8th August 2007.
- 1.7 'Maturity Date' means the 9th August 2012.
- 1.8 'Underlying' means the Adagio Strategy as outlined in the Brochure.

2. Your Deposit

- 2.1 On the Start Date, 100% of your Deposit will be invested in an account with the Bank in your name(s). Interest will be earned on Deposit prior to the Start Date at the rate of the prevailing Bank of England base rate. At the start date, the Interest earned is added to the Deposit for initial investment. After the Start Date, the Interest will be calculated in accordance with condition 5.
- 2.2 The Deposit commences on 8th August 2007 and matures on 9th August 2012. On the Maturity Date the Bank will pay back to you 100% of your Deposit irrespective of the performance of the Underlying together with the Interest (if any) by cheque made payable to you.
- 2.3 The ARIA Multi Asset Managed Index Account is not sponsored promoted or endorsed by any of the companies that make up the Underlying or by any of the publishers of the indices or the markets who publish the prices. Your Deposit is not invested in the shares of the companies who make up the Underlying and you will not receive benefit from any dividends paid by those companies during the Term.

3. Withdrawals

- 3.1 Withdrawals may be made before the end of the term.
- 3.2 The Account holder may make withdrawals only in individual withdrawals of not less than GBP 75,000 (Seventy Five Thousand Pounds) per withdrawal. These withdrawals will be repaid at present value as determined by the Bank which will be subject to market conditions at the time of withdrawal.

4. Death Benefit

If a sole Account holder dies before the Account matures, the Account will continue to the maturity date in the name of the Executor or Administrator. In the case of a joint Account, where a joint Account holder dies, the Account will continue in the name of the sole surviving

Account holder (or in the names of the surviving Account holder and the Executor or Administrator where applicable).

Alternatively, the funds may be redeemed, subject to normal probate regulations, at the realisable value of the Account at the date of death, as determined by us, which may be lower than the original deposit.

5. Interest

5.1 The Interest is calculated on 115% of the increase in value (if any) of the Underlying from the Start Date to the Maturity Date based upon 100% of the amount of your Deposit at the Start Date. This is calculated by subtracting the official closing levels of the Underlying at the Start Date from the averaged official closing levels of the Underlying at the Maturity Date and multiplying this by the Participation Level (115%). The averaged official closing levels of the Underlying at the Maturity Date are calculated by taking the arithmetic average official closing levels of the Underlying on the 7th August 2012 and on the 8th of each month in the preceding 12 months (13 observations in total), so long as each is a trading day, in which case if it is not a trading day, on the following trading day. By averaging over the last 12 months of the Term, this thereby safeguards against any sharp losses in the run-up to the Maturity Date. Conversely, if there was a

significant increase in the value of the Underlying over the final 12 months, the averaging process will lower the return that would otherwise be obtained.

This can be expressed mathematically as follows:

$$\text{Deposit at Start Date} * \text{Max}(0, (115\%) * (\frac{\text{Index}_{final}}{\text{Index}_{initial}} - 100\%))$$

Where:

"Index initial" means The Official Closing Level of the Adagio Index on the Start Date.

"Index final" means the arithmetic average of the Official Closing Levels of the Adagio Index on the 7th August 2012 and on the 8th of each month in the preceding 12 months.

6. Tax

6.1 The Bank will deduct Deposit Interest Retention Tax (D.I.R.T.) at source on the Deposit. Under current legislation, the effective DIRT rate is the standard rate of tax (20%) plus 3% i.e. 23% but this may be subject to change according to legislation. Certain persons, including Non Residents, may register to receive the Interest paid gross, provided they comply with the relevant Revenue Commissioners' requirements.

6.2 Investors in the Deposit will be subject to Irish Tax, Laws and Revenue Practice. Irish residents may be subject to Irish tax on the Interest (if any) on the Deposit (including D.I.R.T. as referenced in Condition 6.1 above). Although this is based on current tax law and revenue practice, it is not intended as a definitive interpretation: the law may change and Investors should seek the appropriate legal and taxation advice in connection with the Deposit.

7. Confidentiality

7.1 The Bank observes a strict duty of confidentiality about your financial affairs. We will not disclose details of your Account or your name and Address to anyone else, other than to any confidentially appointed agents acting on our behalf, except in the four cases permitted by law.

These are where:

- We are legally compelled to do so
- There is a duty to the public to disclose
- Our legitimate interests require disclosure
- Disclosure is made at your request or with your consent.

8. Variation

9.1 The Bank reserves the right to amend these terms and conditions for the time being applicable to the Account. We will notify you personally of any changes and we will always give you at least 30 days' notice.

9.2 Tax liability and other matters referred to are as applicable under current legislation, which may change, and their applicability will depend on your individual circumstances.

9. The information contained in this brochure is correct as at 20th July 2007, however, it may be subject to change.

10. Identification

As part of our aim to protect existing and new customers from the risks of fraud and to minimise the instances of money laundering, there is a legal requirement to undertake identity and address verification for all new accounts that are opened. We will need to see original documentary proof of your identity and proof of your address. We also have a requirement to ensure our existing customers have similar documentation in place when opening an additional account with us.

Your Information

1. Your account is with Ulster Bank Ireland Limited who is the data controller.
2. We are a member of the Royal Bank of Scotland Group (The Group). For information about our Group of Companies please visit www.rbs.com and click on 'About us' or for similar enquiries please telephone 0044 131 556 8555 or Textphone 0044 845 900 5960.

Your electronic information.

3. If you contact us electronically, we may collect your electronic identifier, (e.g. Internet Protocol (IP) address or telephone number) supplied by your service provider.

How we use your information and who we share it with.

4 We may use and share your information with other members of the Group to help us and them:

- assess financial and insurance risks;
- recover debt;
- prevent and detect crime;
- understand our customers' requirements;

develop and test products and services..

5. Your information includes information about your transactions.

6. We may link information between your accounts and other products and services you hold with us. We may also link information between you and others with whom you have a financial link. Unless you consent, we will not use the links for marketing purposes.

7 We do not disclose your information to anyone outside the Group except:

- where we have your permission; or
- where we are required or permitted to do so by law; or
- to other companies who provide a service to us or you

where we may transfer rights and obligations under this agreement.

We may transfer your information to other countries. If we do this we will ensure that anyone to whom we pass it provides an adequate level of protection

8. From time to time we may change the way we use your information. Where we believe you may not reasonably expect such a change we shall write to you. If you do not object to the change within 60 days, you consent to that change.

9. If you would like a copy of the information we hold about you, please write to Capital Markets. A fee may be payable.

10. We may make periodic searches of, and provide information (including how you manage your account and any arrears) to, credit reference agencies and the Group to manage and take decisions about your account. Such information may be used by other credit providers to take decisions about you and your financial associates.

Credit Reference and Fraud Prevention Agencies.

11. A link between you and anyone with whom you have a joint account or similar financial association will be recorded at credit reference agencies, creating a 'financial association'. All parties' information will be taken into account in future applications until one of you successfully files a 'notice of disassociation' at the credit reference agencies.

12. We can provide the names and addresses of the agencies we use if you would like a copy of your information held by them. Please contact us at 01 709 2099. The agencies may charge a fee.

If you're not happy

If you are not satisfied with any of our products or services we have a complaint handling procedure that you can use to resolve such matters.

All complaints should first be addressed to Head of Settlements, Ulster Bank Ireland Limited, Capital Markets, 3rd Floor Ulster Bank Group Centre, Georges Quay, Dublin 2. If the matter is not resolved to your satisfaction, you should write to or contact: The Head of Capital Markets, Ulster Bank Ireland Limited, Ulster Bank Group Centre, Georges Quay, Dublin 2. If you are not satisfied with the outcome of the Bank's efforts to resolve your complaint, you may wish to refer your complaint to The Financial Services Ombudsman's Bureau, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2 (Lo-call 1890 88 20 90; telephone (01) 6620899 or fax (01) 6620890). Email enquiries should be sent to enquiries@financialombudsman.ie.

11. Disclaimer

Ulster Bank Ireland Limited advises all potential investors that its sole function in the Bond is as provider of the product. Ulster Bank Ireland Limited does not act as a financial advisor on behalf of any investor and does not owe any fiduciary duties to any potential investor in connection with the Bond. Investors may receive investment advice from their broker in connection with any decision that they may make to invest in the Bond and Ulster Bank Ireland Limited specifically disclaims any responsibility or liability for any losses or damages arising from such advice. The Brochure and these terms and conditions are intended for potential investors recipient's sole use on the basis that recipient will make an independent evaluation of the transactions described and their associated risks and will seek independent financial advice if unclear about any aspect of the transaction or risks associated with it and places no reliance on Ulster Bank Ireland Limited for advice or recommendations of any sort. Ulster Bank Ireland Limited makes no representations or warranties with respect to the information and specifically disclaims all liability for any use potential investors or their advisors make of the information. Ulster Bank Ireland Limited, its parent Ulster Bank Limited or its parent Royal Bank of Scotland Plc may also have an investment banking relationship with any companies who make up a constituent part of any index mentioned in the Brochure or the terms and conditions.

ARIA Multi Asset Managed Index Account– Application Form

Your information

For details of how we will use your information, please look below and in the accompanying Terms and Conditions
Please complete in block capitals and return to Ulster Bank Ireland Limited

CORPORATE INVESTOR DETAILS

Company Name: Company No:

Address:

Tel No: E-mail:

AUTHORISED SIGNATORY 1:

Name: Position:

Address:

Tel No: E-mail:

AUTHORISED SIGNATORY 2: (if required as per Company Mandate)

Name: Position:

Address:

Tel No: E-mail:

On behalf of the Company, I/we wish to invest GBP in the ARIA Multi Asset Managed Index Account.

Tick the box below as appropriate

On behalf of the Company, I/we wish to opt for the following taxation classification.

Dirt: Other: *

** Relevant documentation will be required for tax-free status in the case of charities, pension funds, companies and non-Irish residents.*

Credit reference agencies

We may obtain information about you from credit reference agencies and Group records to check your credit status and identity. The agencies will record our enquiries which may be seen by other companies who make their own credit enquiries. We may use credit scoring.

Declaration:

On behalf of the Company, I/We declare the details above are correct and confirm that on behalf of the Company, I/We understand and accept the terms and conditions set out in this brochure.

I/We understand that the investment will not commence until the application form has been accepted.

I/We understand that this is an Execution Only sale and Ulster Bank Ireland Limited is not responsible for any aspect of the sales process.

Giving your consent

By signing this application you are agreeing that we may use your information in the way described in this form and in the associated Terms and Conditions.

Signature (Authorised Signatory 1) : _____ Date: _____

Signature (Authorised Signatory 2): _____ Date: _____

PLEASE RETURN THE COMPLETED APPLICATION FORM WITH A COPY OF YOUR COMPANY MANDATE TO: GERRY O'NEILL, 3RD FLOOR ULSTER BANK GROUP CENTRE, GEORGES QUAY, DUBLIN 2.
FUNDS SHOULD BE TRANSFERRED TO: ULSTER BANK IRELAND LIMITED DUBLIN ACCOUNT, NATWEST LONDON,
SORT CODE: 60-00-04, SWIFT: NWBKGB2L, ACCOUNT NUMBER: 04565029