

TUESDAY THE 8TH DAY OF FEBRUARY 2011

BEFORE MR JUSTICE MCGOVERN

IN THE MATTER OF ANGLO IRISH BANK CORPORATION LIMITED

AND

IN THE MATTER OF THE CREDIT INSTITUTIONS (STABILISATION)

ACT 2010

AND

IN THE MATTER OF AN APPLICATION BY THE MINISTER FOR
FINANCE FOR A DIRECTION ORDER IN RELATION TO ANGLO IRISH
BANK CORPORATION LIMITED PURSUANT TO SECTION 9 OF THE
CREDIT INSTITUTIONS (STABILISATION) ACT 2010 AND ANCILLARY
ORDERS

The *ex parte* application of the Minister for Finance (the “Applicant”) for a Direction Order pursuant to Section 9 of the Credit Institutions (Stabilisation) Act 2010 (the “Act”) along with related reliefs including an application under Section 60 of the Act for restrictions with regard to the disclosure in open Court publication or reporting of material which is commercially sensitive coming before this Honourable Court this day in the presence of Counsel for the Applicant Counsel for the Irish Times and Counsel for RTÉ

And on application by Counsel for the Applicant for an order prohibiting publication of this application pending the making of a Direction Order pursuant to Section 9 of the Act

And on hearing said Counsel for the Applicant and Counsel for the Irish Times

The Court doth so order

Whereas and on reading the Affidavit of Ann Nolan sworn on 7th February 2011 and the exhibits thereto and on hearing what was offered by Counsel for the Applicant

IT IS ORDERED that the Applicant be granted the following reliefs

- A. A Direction Order pursuant to Section 9 of the Act:
1. Directing Anglo Irish Bank Corporation Limited ("Anglo") to take the following steps in connection with an auction process (the "Auction") to be operated by the National Treasury Management Agency (the "NTMA") in respect of the transfer of certain of Anglo's deposits and assets (the "Transfer"):
 - 1.1 Issue a process letter in respect of the Auction (which will be substantially in the form of the draft attached at Appendix 1 to the Proposed Direction Order made by the Applicant on 6 February 2011 (the "Proposed Direction Order")) to each person who has by 7 February 2011 signed and returned a non-disclosure agreement in respect of the Auction to Anglo, no later than 24 hours from the date on which this Direction Order takes effect.
 - 1.2 Establish and provide access to an electronic data-room to each person who has signed and returned a process letter referred to in paragraph 1.1 (a "Bidder") no later than 24 hours after receipt of such signed process letter from the relevant Bidder.
 - 1.3 Provide such information to a Bidder as is required pursuant to the terms of the process letter signed by that Bidder.

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- 1.4 Throughout the period of the Auction, immediately on being required to do so by the NTMA, provide the NTMA with all such financial and commercial information as would enable the NTMA to assess the bids of each Bidder.
- 1.5 Advise during the period of the Auction those contractual counterparties and service providers as are approved in advance by the NTMA of the fact of the existence of the Auction process and of the fact and terms of the intended Transfer.
- 1.6 Advise during the period of the Auction such of the following regulatory and tax authorities as are notified in advance by Anglo to the NTMA:
- (a) Central Bank of Ireland;
 - (b) the UK Financial Services Authority;
 - (c) the Isle of Man Financial Services Commission;
 - (d) the US Federal Reserve;
 - (e) the Revenue Commissioners;
 - (f) the United Kingdom Revenue Commissioners; and
 - (g) the Internal Revenue Service of United States of America,
- of the fact of the existence of the Auction process and of the fact and terms of the intended Transfer.

1.7 Execute a transfer support agreement in connection with the Transfer with the successful Bidder within 24 hours of being instructed to do so by the NTMA, such transfer support agreement to be substantially in the form of the draft attached at Appendix 2 to the Proposed Direction Order, subject to any modifications that are required to give effect to the terms agreed with the successful bidder.

2. Directing Anglo to take the following steps (and to procure that its affiliated companies do likewise) pursuant to the Joint EC Restructuring and Work Out Plan for Anglo and Irish Nationwide Building Society ("INBS") (the "Restructuring Plan") submitted on 31 January 2011 to the European Commission (and any variations to the Restructuring Plan as directed and approved by the European Commission):

2.1 Reduce (whether by disposal, non-renewal or otherwise) its net lending to customers so that the net commercial loan book of Anglo loans will not exceed forecasts derived from the Restructuring Plan (which forecasts were attached at Appendix 3 to the Proposed Direction Order) by more than 5% excluding currency movements in any single year for the financial periods ending 31 December 2011 and 31 December 2012.

2.2 Formulate a detailed steps plan for the rationalisation including, where appropriate, closure of Anglo's offices in the UK and its branches in Vienna, Dusseldorf and Jersey and deliver it to the NTMA no later than 31 March 2011.

- 2.3 Formulate a detailed steps plan for the disposal of Anglo's Wealth Management business and deliver it to the NTMA no later than 31 March 2011.
 - 2.4 Transfer the remaining eligible loan assets as defined in the National Asset Management Agency Act 2009 to the National Asset Management Agency ("NAMA") by the later of 31 December 2011 or the date of completion of any ongoing litigation which is delaying the transfer of any such loans, whichever is the later.
 - 2.5 In conjunction with INBS formulate a detailed steps plan for the acquisition of and/or merger with INBS and deliver it to the NTMA no later than 31 March 2011.
3. Directing that the reliefs sought at paragraph 1 have immediate effect pursuant to Section 9(8) of the Act;
 4. Declaring pursuant to Section 9(3) of the Act that the Direction Order made by this Honourable Court is a reorganisation measure for the purposes of Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001;
- B. An Order pursuant to Section 60 of the Act directing that there be no disclosure in open Court, publication or reporting of paragraph 21.4 or of those parts of paragraphs 22, 51, 52, 55, 81, 89.1, 89.5, 89.7, 90, 91 and 95 of the Affidavit of Ann Nolan sworn 7 February 2011 which are highlighted in yellow in that Affidavit, or of Appendices 1, 2 and 3 to the Proposed Direction Order contained in Exhibit AN2, the document appearing at Section B of AN4, AN7, AN9, AN10, AN11, Appendices 1, 2 and 3 to the

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draft Proposed Direction Order contained in Exhibit AN12, the non-redacted letter from the Governor of the Central Bank dated 4 February 2011 and the Central Bank Report contained in Exhibit AN12 and Appendices 1, 2 and 3 to the draft Proposed Direction Order contained in AN14.

**MARY KELLY
REGISTRAR
8th FEBRUARY 2011**

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