

# Key Information Document



## Purpose

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

## Product

Product Name:	Foreign Exchange Swap
PRIIP Manufacturer Name:	Allied Irish Bank (GB) ("AIBGB", "we", "us")
Website for PRIIP Manufacturer:	aibgb.co.uk/fxcentre
Contact number for PRIIP Manufacturer:	Call +44 (0)20 7863 6950 for more information
Competent Authority:	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Date of production of the Key Information Document:	18 June 2024

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

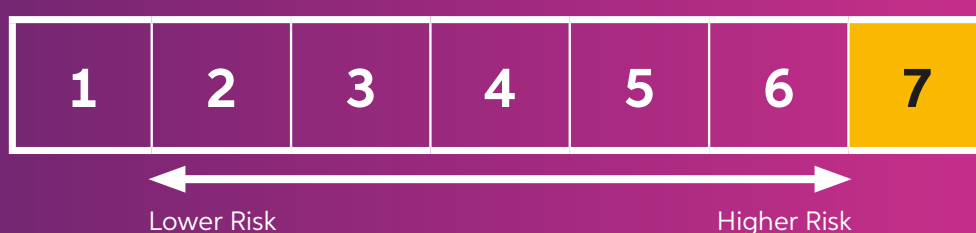
## What is this product?


Type	Over the Counter Derivative (OTC) – FX Swap
Objectives	<p>A Foreign Exchange (FX) Swap is an agreement to exchange currencies (usually value today, tomorrow or spot) at an agreed rate and to then inversely exchange the same currencies, using the same spot rate (adjusted for the relevant forward points) on a future date. It is one of the tools available to help you manage your foreign currency cashflows.</p> <p>For example, say one of your company's foreign currency accounts is currently overdrawn or requires funding. Your main Euro current account is in credit to the equivalent amount. This situation will exist for a three month period. You wish to debit your main current account and credit your foreign currency account with the equivalent for the duration of this three month period.</p> <p>If you purchase the required foreign currency amount in order to fund your account, you will need to sell it back in three months' time – running the risk that the exchange rate will have moved adversely in the period.</p> <p>An FX Swap will allow you to exchange the currencies using the same spot rate (adjusted for the forward points) and therefore manage your foreign exchange risk.</p>
Intended Retail Investor	<p>This product is intended for retail businesses wishing to mitigate the exchange rate risk associated with future currency exposures are in-scope for these regulations and who are seeking to hedge future currency exposures, such as future import or export transactions.</p> <p>An FX Swap is a binding contract between you and AIBGB to exchange a specific amount of two currencies at an agreed rate, on a near leg and future date(s). FX Swaps are tailored to meet your specific requirements. The client confirms the currencies, amount and both the near and future date(s) required.</p>
Term	<p>FX Swaps can be booked in all major currencies (minimum amount GBP 12,500 equivalent) with a final maturity date of up to typically one year. The respective value dates of the transaction will be agreed at execution and will be set out with the other product terms in the confirmation. It is a product which is entered into for its term, although early termination may occur in the event of a default by either you or AIBGB.</p>

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

### Risk Indicator

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



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

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

## Investment performance information

### Main factors likely to affect future returns for the investor

This is a risk management product to hedge your position against the volatility of exchange rates. If you hold, and settle, your FX Swap to maturity, then it will perform as agreed at deal execution when you agree a simultaneous purchase and sale of one currency for another currency with two different value dates. Your settlements under the FX Swap will not be impacted by market moves in the exchange rate.

The FX Swap rate is a calculation combining the current spot exchange rate adjusted to reflect the difference in interest rates or yield between the two currencies to the maturity date of the contract.

Following the delivery of the first leg of the FX Swap, the inherent value of the far leg which has not yet settled, will vary in line with the movement in underlying exchange rate for your chosen currency pair. The value of this product at settlement is based on the difference between the FX Swap Rate on the far leg and the spot exchange rate available on the settlement date. On that date, it is possible that the spot exchange rate will be better or worse than the FX Swap rate on the far leg agreed for the product. The size of this difference will dictate your gain or loss on the product.

### What could affect my return positively?

The far leg is most significant when assessing the product return. Where the spot exchange rate in your chosen current pair at settlement is worse than the FX Swap rate on the far leg this will represent a gain to you.

### What could affect my return negatively?

The far leg is most significant when assessing the product return. Where the spot exchange rate in your chosen current pair at settlement is better than the FX Swap rate on the far leg this will represent a loss to you.

In severely adverse market conditions, the spot exchange rate may be significantly different than the original FX Swap rate you agreed. In this case the currency amount that you receive from us may be worth very little in comparison with the amount that you pay to us.

If you wish to early terminate your FX Swap, you should note that you may not be able to terminate easily before maturity or you may be liable for a termination payment which could be a substantial loss or gain to you.

## What happens if Allied Irish Bank (GB) is unable to pay out?

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from this scheme if we are unable to meet any of our liabilities to you. Where an entitlement to compensation is established, the compensation payable will be the total of your net loss or GBP 85,000 (whichever is the lesser). Further information about compensation arrangements is available from the Financial Services Compensation Service ([www.fscs.org.uk](http://www.fscs.org.uk)).

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the performance of the product. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential exit penalties. The figures assume a nominal value of GBP 10,000. The figures are estimates and may change in the future.

## Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Notional Amount Scenarios GBP 10,000	If you end after 3 months
Total Costs	GBP 140
Impact on return (RIY) per year	1.40%

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## Composition of costs\*

The table below shows:

- The impact each year of the different types of costs on the performance of the product at the end of the recommended holding period;
- The meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	1.40%	The impact of the costs already included in the price.
	Exit costs	0%	The impact of the costs of exiting your investment when it matures.
Recurring costs	Portfolio transaction costs	0%	The impact of us buying and selling underlying investments for the product.
	Other ongoing costs	0%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0%	This product does not have any performance fees or carried interests.
	Carried interests	0%	

\*In all cases, the transaction margin is limited to a maximum ceiling of 1.4% of the nominal amount of the transaction. There are no further recurring costs applicable.

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

This product cannot be sold or transferred and there is no recommended holding period, it is a product which is entered into for its term. This product can only be matured on the date(s) agreed with us. Early termination may occur in the event of a default by either you or AIBGB.

## How can I complain?

You can make a complaint by:

- Contacting your Primary Relationship Manager or assigned Customer Treasury Services Relationship Manager on +44 (0)20 7863 6950 or by writing to Allied Irish Bank GB, Customer Treasury Services, 13th Floor, 70 St Mary Axe, London EC3A 8BE. You can also make a complaint via our website [aibgb.co.uk/fxcentre](http://aibgb.co.uk/fxcentre)
- If you are still not satisfied and you come within the jurisdiction of the Financial Ombudsman Service, you can take your complaint to:
  - Financial Ombudsman Service Exchange Tower, London E14 9SR. Telephones: 0800 023 4567; +44 20 7964 7964 0500 (for calls from outside the UK); Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk); Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

## Other relevant information

We will provide you with further documentation relating to a transaction that you enter into with us including a confirmation with a breakdown of costs and charges and an annual statement.