

Private & Confidential

The Minister for Finance  
Department of Finance  
Merrion Street  
Dublin 2

11/0321/mf  
Mr. John Moran  
Referred pl.  
M. Young  
20/7/11



20<sup>th</sup> July 2011

Dear Minister

**Re: Extraordinary General Meeting of  
Irish Life & Permanent Group Holdings plc (the Company)  
held on 20th July 2011 (the Meeting)**

I am writing to you to inform you that at the Extraordinary General Meeting of the Company held this morning that the resolutions seeking the necessary approvals to enable the Company to be recapitalised by you were not approved by the members. These were resolutions 1 - 3 in the attached documents

Resolutions 4 - 7 were put on the Agenda for the Meeting at the request of 3% or more of the shareholders in compliance with the Companies Acts. The reasons why the resolutions were placed on the Agenda for the Meeting are set out in the attached documents. These resolutions were passed by the members.

The concerns expressed at the meeting echo the very strong concerns raised by both myself and members of the Board at meetings with you and or your officials over the last two and a half months, particularly the meetings of the 13<sup>th</sup> May 2011, and the 10<sup>th</sup> June 2011. These included:

- The amount of capital required to be invested into the bank and the options for raising this capital;
- The speed at which the capital investment must be made;
- The methodology by which the capital investment is to be made, and in particular, the non-pre-emptive nature and the dilutory impact on shareholders;
- The issue price;
- The requirement to dispose of the life assurance and investment managers business.

At our meeting on 10<sup>th</sup> June 2011 myself and Kevin Murphy made a detailed presentation to you and your officials in which the Board requested:

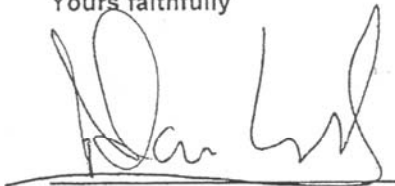
- A placing price in the range of 30 - 75 cents;
- A pre-emption cover claw-back for existing shareholders;
- €1.4bn capital to be by way of B shares so allowing a targeted buyback if in the future if the losses projected by the 2011 PCAR did not materialise and the business is over-capitalised.

We followed up these proposals with a letter of 17<sup>th</sup> June 2011 enclosing a copy of our presentation. The Board notes with regret that their proposals were apparently not accepted by you.

The Board must follow the terms of the directions contained in the resolutions and will be doing so within the time limits contained therein commencing with compliance with Resolution No. 6. It will also start the process as detailed in Resolution 5 and the procedure as required by Resolution No. 7.

I am requesting an urgent meeting with you to discuss the concerns of the Board and the shareholders. I would appreciate a speedy response to this request.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Alan Cook', written over a horizontal line.

Alan Cook  
Chairman