



# Changes to KBC Business Deposit **Terms** & **Conditions**

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# Changes to KBC Business Deposit Terms & Conditions

Effective from  
**25th October 2021**

We are making some changes to our Business Deposit Terms & Conditions, which will come into effect for customers on 25th October 2021. This document gives a summary of the changes and what these mean for you, as well as an explanation of some new and updated definitions. To view the full terms and conditions, visit [kbc.ie/terms](http://kbc.ie/terms)

## What happens next?

**Changes to our Business Deposit Terms & Conditions will automatically come into effect from 25th October 2021, so you don't need to take any action. If you do not wish to accept the new Terms & Conditions, you can request to close your account without charge. To close your account, you must first bring your account to a zero balance. If we do not receive a request to close your account before 25th October 2021, we will assume you have accepted these changes.**

If you have an existing Fixed Term Deposit Account that matures after 25th October 2021 and you do not wish to accept the new terms and conditions, you will remain on the existing terms and conditions until the maturity date. After this date, if your account rolls over, the new Business Deposit Terms and Conditions will apply.

## New and Updated Definitions:

**Interest** shall be the interest calculated on Cleared Funds in a Business Account at the rate agreed between the Bank and the Business Customer in accordance with these Terms and Conditions.

## Summary of changes to clauses and what this means for you:

### Changes to Clause 13. Taxation

#### Summary of changes and what they mean for you:

These clauses have been updated to reflect that DIRT is only deducted from Positive Interest paid to you and certificates of interest will only provide details of any Positive Interest paid and DIRT deducted on your account.

Clause Number	Existing Wording	New Wording
13.1	In accordance with tax law, we are obliged to deduct Deposit Interest Retention Tax ("DIRT") from any interest paid on the Account (unless you are entitled to an exemption and fulfil the required conditions). DIRT will be deducted at the applicable rate when interest is paid. DIRT rates are set by the government and are subject to change.	In accordance with tax law, we are obliged to deduct Deposit Interest Retention Tax ("DIRT") from any interest paid to you on the Account (unless you are entitled to an exemption and fulfil the required conditions). DIRT will be deducted at the applicable rate when interest is paid to you. DIRT rates are set by the government and are subject to change.
13.3	A certificate of interest in respect of the Account, detailing the gross interest, the DIRT deducted and the net interest on the Account will be issued to you on request.	A certificate of interest in respect of the Account, detailing the gross Positive Interest paid (as defined in clause 36.6 below), the DIRT deducted, and the net Positive Interest on the Account will be issued to you on request.

## Changes to Clause 32. Availability of Business Deposits

### Summary of changes and what they mean for you:

These clauses have been updated to reflect that business deposit accounts are no longer available to open since 18th December 2020 and to advise you to review the Deposit Rate Matrix for any minimum or maximum thresholds applicable to your existing accounts.

Clause Number	Existing Wording	New Wording
32.1	We offer two different types of Business Deposit Account- Business Deposit Demand Accounts and Business Fixed Term Deposit Accounts. In relation to our Business Fixed Terms Deposit Accounts various terms are available, the details of which are set out in our Business Deposit Rate Matrix.	Since 18th December 2020 Business Deposit Accounts are no longer available to open in accordance with these Terms & Conditions.
32.2	Unless otherwise stated, a Business Deposit Account is available to a Business Customer whose principle place of business is the Republic of Ireland. Non-resident accounts are only permitted for Business Customers whose principal place of business is in certain jurisdictions and is based on specific criteria. Please contact us for further information in this regard if your principal place of business is not within the Republic of Ireland.	A Business Customer must have their principle place of business in the Republic of Ireland unless otherwise agreed by us.
32.3	There may be maximum and minimum balances applicable to a Business Deposit Account, these are set out in our Business Deposit Rate Matrix and in Part D below.	There may be maximum and minimum balances applicable to a Business Deposit Account, these are set out in our Business Deposit Rate Matrix.

## Changes to Clause 33. Opening a Business Deposit Account

### Summary of changes and what they mean for you:

These clauses have been updated to reflect that business deposit accounts are no longer available to open since 18th December 2020 and to advise you that you can continue to operate your existing accounts subject to these Terms and Conditions.

Two Clauses have been removed as they referenced account opening terms and conditions, however as these accounts are no longer available to open these clauses are no longer relevant.

Clause Number	Existing Wording	New Wording
33.1	To open a Business Deposit Account, you must complete an Application Form. You can submit your application by post, by delivering it to one of our offices or by hand delivering it to an employee of KBCI.	Since 18th December 2020 Business Deposit Accounts are no longer available to open in accordance with these Terms & Conditions.

Clause Number	Existing Wording	New Wording
33.2	The Business Deposit Account will be opened on receipt of a fully completed Application Form but will not become operational until we receive all Anti-Money Laundering documentation in a form satisfactory to us. Interest will not accrue on any Lodgements to the Business Deposit Account until that time. As part of the Application Form you will be required to nominate the bank account into which all withdrawals are to be made. This bank account must be in the name of the Business Customer who is opening the Business Deposit Account.	Business Customers with a Business Deposit Account at 18th December 2020 can continue to operate these Account(s) subject to these Terms and Conditions.
33.3	We reserve the right to refuse to open a Business Deposit Account or to accept any Lodgement without providing a reason.	Where a Business Customer held a Business Fixed Term Account at 18th December 2020 the Business Fixed Term Account may continue to the Maturity Date. At Maturity the provisions of Clause 38 will apply.
33.4	If you require the return of your Lodgement(s) prior to the submission of sufficient documentation for Anti Money Laundering purposes, you must make a request in writing to us for the return of same. We will return the Lodgement(s) provided no directions have been issued to the contrary by any regulatory body, law enforcement agency, court or other legal process.	Removed
33.5	In addition if you provide sufficient documentation for anti-money laundering purposes that facilitate the opening of the Business Deposit Account but do not make a Lodgement to your Business Deposit Account within 60 days of account opening we reserve the right to close the Deposit Account and will provide you with appropriate notification.	Removed

## Changes to Clause 36. Interest

### Summary of changes and what they mean for you:

- We have deleted the current wording of Clause 36 and have replaced the clause in full.
- This clause has been updated to permit KBC to apply negative interest rates to deposit accounts. The updates include references to the different rates of interest, including negative interest, which may be applied to your account.
- The changes also outline how Negative Interest will be calculated and notes that any negative interest due on your account will be deducted automatically each month from the outstanding balance for demand accounts or at maturity for fixed accounts.

Clause Number	Existing Wording	New Wording
36.1	Interest is only paid on Cleared Funds in respect of any Lodgements into your Business Deposit Account. If a Lodgement is made before the applicable Cut Off times then it will be credited with the amount from that day. If lodgement is made after the applicable Cut Off times then it will be credited with the amount from the next business day.	<p>The rate of interest may be</p> <ul style="list-style-type: none"> <li>(i) positive, where we pay interest to you</li> <li>(ii) neutral, where the interest rate is 0% and therefore no interest is paid by us or you</li> <li>(iii) negative, where you have to pay interest to us</li> <li>(iv) a combination of any of the above dependant on the balance in your accounts. That is, one interest rate may apply to Cleared Funds up to a certain balance in the account and a different rate may apply to the Cleared Funds over this balance.</li> </ul> <p>The interest rate applicable to your Business Deposit Account is set out in our Business Deposit Rate Matrix.</p>
36.2	Interest on Cleared Funds will be calculated on the daily balance outstanding on the Business Deposit Account and shall accrue from day to day and will be calculated on the basis of the actual number of days elapsed and the number of days in a year as from time to time corresponds with normal banking practice for the currency concerned which at present in the case of deposits in Euro is 365 days based on a 360 day year and in the case of deposits in Sterling is 365 days based on a 365 day year. Any reference to 'per annum' or payments of an annual nature shall be construed accordingly.	<p>Interest is calculated on Cleared Funds in respect of any Lodgements into your Business Deposit Account. If a Lodgement is made before the applicable Cut Off times, then it will be credited with the amount from that day. If a Lodgement is made after the applicable Cut Off times, then it will be credited with the amount from the next business day.</p> <p><b>[Previously clause 36.1]</b></p>
36.3	We reserve the right, at all times, to vary any and all applicable variable interest rates, by giving you 10 days notice thereof to you by whatever means that we, at our discretion, deem appropriate, save where the variation is to your benefit in which circumstances we may implement such variation as soon as practicable and notify you thereafter.	<p>Interest on Cleared Funds will be calculated on the daily balance on the Business Deposit Account and shall accrue from day to day and will be calculated on the basis of the actual number of days elapsed and the number of days in a year as from time to time corresponds with normal banking practice for the currency concerned. At present, in the case of deposits in Euro is 365 days based on a 360 day year, and in the case of deposits in Sterling is 365 days based on a 365 day year. Any reference to 'per annum' or payments of an annual nature shall be construed accordingly.</p> <p><b>[Previously clause 36.2]</b></p>

Clause Number	Existing Wording	New Wording
36.3	<p>We reserve the right, at all times, to vary any and all applicable variable interest rates, by giving you 10 days notice thereof to you by whatever means that we, at our discretion, deem appropriate, save where the variation is to your benefit in which circumstances we may implement such variation as soon as practicable and notify you thereafter.</p>	<p>Interest on Cleared Funds will be calculated on the daily balance on the Business Deposit Account and shall accrue from day to day and will be calculated on the basis of the actual number of days elapsed and the number of days in a year as from time to time corresponds with normal banking practice for the currency concerned. At present, in the case of deposits in Euro is 365 days based on a 360 day year, and in the case of deposits in Sterling is 365 days based on a 365 day year. Any reference to 'per annum' or payments of an annual nature shall be construed accordingly.</p> <p><b>[Previously clause 36.2]</b></p>
36.4	<p>Unless otherwise provided for in Part D below, Interest is payable on the Business Deposit Account as follows:</p>	<p>We reserve the right, at all times to vary any and all variable rates of interest (including introducing and applying negative rates of interest), by giving you 10 days' notice by whatever means that we, at our discretion, deem appropriate save where the variation is to your benefit in which circumstances we may implement such variation as soon as practicable and notify you thereafter.</p> <p><b>[Previously clause 36.3]</b></p>
36.4.1	<p><b>Business Demand Deposit Accounts</b> Interest on a Demand Account is at a variable rate. We reserve the right, at all times, to vary any and all applicable variable interest rates, by giving you 10 days notice thereof to you by whatever means that we, at our discretion, deem appropriate, save where the variation is to your benefit in which circumstances we may implement such variation as soon as is practicable and notify you thereafter. The rate of interest applicable to the Business Deposit Demand Account is determined by reference to the relevant Business Deposit Rate Matrix applicable from time to time and the balance in the Business Deposit Demand Account. Interest is credited to the Business Deposit Demand Account periodically as set out in Clause 41.</p>	<p>Removed</p>



Clause Number	Existing Wording	New Wording
<b>36.4.2</b>	<b>Business Fixed Term Accounts</b>	Removed
<b>36.4.2.1</b>	The rate of interest on a Business Fixed Term Account will be the prevailing rate as per the Business Deposit Rate Matrix applicable on the day that the first lodgement is made to the Business Fixed Term Account. The rate of interest on a Business Fixed Term Account is set for the entire period of the fixed deposit as indicated by you in the Application Form and will commence on the date upon which the first lodgement is made to the Account.	Removed
<b>36.4.2.2</b>	Interest will start accruing when the lodgement is made to the account by reference to the Business Deposit Rate Matrix at that time.	Removed
<b>36.4.2.3</b>	The gross rate of interest is fixed for the entire term of the deposit. Interest is calculated for the period of the deposit on the Cleared Funds and is credited to the Business Deposit Account on maturity.	Removed
<b>36.5</b>	Interest may be subject to Deposit Interest Retention Tax or "DIRT" where appropriate. Please refer to Clause 13 above.	Interest on different types of Business Deposit Accounts:
<b>36.5.1</b>	N/A	<b>Business Demand Deposit Accounts</b> Interest on a Business Demand Deposit Account is a variable rate and may be positive, neutral, negative or a combination of these, as set out in clause 36.1 above. The rate of interest applicable to the Business Demand Deposit Account is determined by reference to the relevant Business Deposit Rate Matrix applicable from time to time.

Clause Number	Existing Wording	New Wording
36.5.2	N/A	<p><b>Business Fixed Term Accounts</b></p> <p>The rate of interest on a Business Fixed Term Account will be the prevailing rate as per the Business Deposit Rate Matrix applicable on the day that the first Lodgement is made to the Business Fixed Term Account. This may be positive, neutral, negative or a combination of these, as set out in clause 36.1 above. The rate of interest on a Business Fixed Term Account is set for the entire period of the fixed deposit and interest will accrue from the date upon which the first Lodgement is made to the Business Fixed Term Account.</p>
36.6	N/A	<p>Where the interest calculation results in interest being due to you ("Positive Interest") we will credit any Interest due to your Business Deposit Account in accordance with Clauses 41-44 below. Where the interest calculation results in Interest being payable to us ("Negative Interest") we will debit the interest due from your Business Deposit Account in accordance with clause 36.8.2 below.</p>
36.7	N/A	<p>Positive Interest may be subject to Deposit Interest Retention Tax or 'DIRT' where appropriate. Please refer to Clause 13.</p> <p><b>[Previously clause 36.5]</b></p>
36.8	N/A	<p><b>Negative Interest</b></p>
36.8.1	N/A	<p>You hereby authorise and instruct us to debit any Negative Interest from your Business Deposit Account when it becomes due and payable in accordance with these Terms and Conditions. You acknowledge that this will reduce the balance in the Business Deposit Account.</p>

Clause Number	Existing Wording	New Wording
36.8.2	N/A	In respect of Business Deposit Demand Accounts any negative interest accrued on your account will fall due and be debited from your Account on the last business day of the month, or any other date within the month which we may determine, and will be deducted from the Cleared Funds available in your account. In respect of Business Fixed Term Accounts any Negative Interest will fall due and be debited from your Account on Maturity.
36.8.3	N/A	If the balance in the Business Deposit Account is not sufficient to pay all or part of the Negative Interest you agree to pay the Negative Interest (or any part thereof) within 10 Business days of the date it is due to be paid or on demand when requested by us, and your account may have a balance of less than zero until this is paid.
36.8.4	N/A	You agree to maintain sufficient funds in the Business Deposit Account to discharge Negative Interest. We reserve the right to refuse a withdrawal instruction or withhold any part thereof where we believe that the withdrawal would result in the balance in the Business Deposit Account not being sufficient to discharge Negative Interest when it becomes due and payable.

**Change to Clause 37. Withdrawals**  
**Summary of changes and what they mean for you:**

This clause has been updated to note that KBC reserves the right to refuse a withdrawal on your account if this may result in there being insufficient funds to meet any negative interest which may fall due on your account.

Clause Number	Existing Wording	New Wording
37.1	You must ensure that Cleared Funds are maintained in your Business Deposit Account to meet any withdrawals. There is no overdraft facility on the Business Deposit Account.	You must ensure that Cleared Funds are maintained in your Business Deposit Account to meet any withdrawals. There is no overdraft facility on the Business Deposit Account. As noted in clause 36.8.3 we reserve the right to refuse a withdrawal instruction or withhold any part thereof where we believe that the withdrawal would result in the balance in the Business Deposit Account not being sufficient to discharge Negative Interest when it becomes due and payable.

**Changes to Clause 38. Maturity of Business Fixed Term Account**  
**Summary of changes and what they mean for you:**

This clause has been updated clause to inform you of what may happen on maturity of your fixed term deposit account if we do not receive an instruction from you before the maturity date. Your account may be reinvested in the same/alternative product or we may close the account. This will be outlined to you in a letter issued to you to notify of the upcoming maturity of your account.

Clause Number	Existing Wording	New Wording
<p><b>38.4</b></p>	<p>In respect of Business Fixed Term Accounts, unless we receive instructions from you before the Maturity Date, the full balance in the Business Fixed Term Account will be re-invested in a similar Business Fixed Term product at the prevailing interest rate for that product on that date. If on the Maturity Date there is no similar Business Fixed Term product available, the full balance in the Business Fixed Term Account will be re-invested in our Business Demand Deposit account at the then prevailing interest rate for our Business demand deposit account. If on maturity the funds are rolled over and the amount of the matured funds (including interest) exceeds the maximum balance for that particular type of Business Deposit Account, the entire amount of the funds will earn interest at our then prevailing interest rate for our Business Demand Deposit Account.</p>	<p>Unless we receive instructions from you before the Maturity Date, the full balance in the Business Fixed Term Account, after interest is paid, will be re-invested in a similar fixed term product at the prevailing interest rate for that product on that date at the prevailing rate on that date, as outlined in the Business Deposit Rate Matrix. If on the Maturity Date there is no similar fixed term product available, the full balance in the Business Fixed Term Account, after interest is paid, may be re-invested in an alternative deposit account offered by us or we may close your account. This will be advised when we notify you of the pending maturity of the account. If you do not wish for the funds to be re-invested in the alternative deposit account proposed by us, you should contact us prior to the Maturity Date with your instructions.</p>
<p><b>38.7</b></p>	<p>In relation to Business Fixed Term Accounts, we will only accept re-investment instructions in writing signed by all the Accountholders or two Authorised Signatories (unless you have placed a limitation on the Business Fixed Term Account in accordance with Clause 8.3 and 10.4 above). This instruction for full or partial re-investment should be received before the Maturity Date.</p>	<p>In relation to Business Fixed Term Accounts, we will only accept re-investment instructions in writing, signed by all the Accountholders or two Authorised Signatories unless you have placed a limitation on the Business Fixed Term Account in accordance with Clause 8.3 and 10.4 above. Only a full or partial re-investment for the same term is permitted (unless we advise otherwise in accordance with Clause 38.4) and this instruction should be received before the Maturity Date.</p>

## Changes to Clause 41. Business Demand Deposit Account

### Summary of changes and what they mean for you:

This clause has been updated to include reference to Negative Interest on a demand deposit account. The frequency of when Positive Interest is credited to your account remains unchanged.

Clause Number	Existing Wording	New Wording
41.2	Interest is credited to a Business Deposit Demand Account on a semi annual basis.	Any Positive interest accrued is credited to the Business Deposit Demand Account on closure of the Account or on a semi-annual basis or such other dates as we may at our discretion determine. Any Negative Interest will be debited in accordance with clause 36.7.2.
41.4	The interest rate applicable on a Business Deposit Demand Account is determined by the balance (including interest added) in the Business Deposit Demand Account as set out in our Business Deposit Rate Matrix.	The interest rate applicable on a Business Deposit Demand Account is determined by the balance (including Interest) in the Business Deposit Demand Account as set out in our Business Deposit Rate Matrix.
41.5	If the account balance (including interest added) exceeds the threshold for that particular interest rate the entire balance in the Business Deposit Demand Account will earn interest for that balance as per the Business Deposit Rate Matrix.	Removed

## Changes to Clause 42. Business Smart Access Demand Account

### Summary of changes and what they mean for you:

This clause is updated to reference Negative Interest and we have also removed reference to minimum and maximum account balances as this information is noted in the Business Deposit Rate Matrix.

Clause Number	Existing Wording	New Wording
42.1	The Business Smart Access Demand Account is a Demand Account and has a minimum account opening balance is €3,000 and the maximum account balance is €100,000.	The Business Smart Access Demand Account is denominated in Euro
42.2	Once the balance (including interest added) exceeds €100,000 the entire balance will earn interest at the prevailing Business Standard Demand Deposit Account interest rate for Euro deposits. We will not provide any notice to you in this respect.	The interest rate applicable on a Business Smart Access Demand Account is determined by the balance (including Interest) in the Business Deposit Demand Account as set out in our Business Deposit Rate Matrix.

Clause Number	Existing Wording	New Wording
42.3	Interest is credited to a Business Smart Access Demand Account on closure of the account or annually in December each year or such date as we at our discretion may determine.	Any Positive interest accrued is credited to the Business Smart Access Demand Account on closure of the Account or in December or such other dates as we may at our discretion determine. Any Negative Interest will be debited in accordance with clause 36.7.2.

**Changes to Clause 43. Business Select Access Demand Account**  
**Summary of changes and what they mean for you:**

This clause has been updated to reference Negative Interest and we have removed reference to minimum and maximum account balances as this information is noted in the Business Deposit Rate Matrix.

Clause Number	Existing Wording	New Wording
43.1	The Business Select Access Demand Account is only available in GBP.	The Business Select Access Demand Account is denominated in GBP.
43.2	The minimum account opening balance is £2,000. The maximum account balance is £1,000,000 (including interest added to the account).	The interest rate applicable on a Business Select Access Demand Account is determined by the balance (including Interest) in the Business Deposit Demand Account as set out in our Business Deposit Rate Matrix.
43.3	Interest is credited to a Business Select Access Demand Account on closure of the account or annually in December each year or such date as we at our discretion may determine.	Any Positive interest accrued is credited to the Business Select Access Demand Account on closure of the Account or in December or such other dates as we may at our discretion determine. Any Negative Interest will be debited in accordance with clause 36.7.2.

## Changes to Clause 44. Business Fixed Term Deposit Account

### Summary of changes and what they mean for you:

This clause has been updated to reference Negative Interest and we have removed reference to minimum and maximum account balances as this information is noted in the Business Deposit Rate Matrix.

Clause Number	Existing Wording	New Wording
44.3	Once the balance on the Business Fixed Term Deposit Account (including any accrued interest) exceeds £1,500,0000.01/€1,500,000.01, the entire balance will earn interest at the lower rate as set out in our Business Deposit Rate matrix.	The interest rate applicable on a Business Fixed Term Account is determined by the total sum invested in the Business Fixed Term Account on the date the funds are invested and the applicable rates as set out in our Business Deposit Rate Matrix. The interest rate is also detailed in the confirmation letter which will issue to you in accordance with Clause 40.2.
44.5	Interest will be credited to the Account on maturity.	Positive Interest and Negative Interest is credited and/or debited to a Business Fixed Rate Deposit Account on maturity.



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