



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

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# Changes to KBC Business Banking Terms & Conditions

Effective from  
**27th August 2021 for New Customers and  
27th October 2021 for Existing Customers.**

We are making some changes to our Business Banking Terms & Conditions, which will come into effect for new customers on 27th August 2021 and for existing customers on 27th 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 [www.kbc.ie/business/business-deposit-account](http://www.kbc.ie/business/business-deposit-account)

## What happens next?

**Changes to our Business Banking Terms & Conditions will automatically come into effect from 27th 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 27th October 2021, we will assume you have accepted these changes.**

If you have an existing Fixed Term Deposit Account that matures after 27th 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 Banking Terms and Conditions will apply. If you do not wish to accept the new terms and conditions you should close your account at maturity.

## 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.

**Client Account** means a type of Business Demand Deposit Account opened by a Business Customer for the purposes of holding and receiving client monies. Otherwise known as Business Client Demand Deposit Account.

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

### Change to Clause 14. 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
14.1	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.
14.3	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 77.7 below), the DIRT deducted, and the net Positive Interest on the Account will be issued to you on request.

## Changes to Clause 73. Availability of Business Deposits

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

These clauses have been updated to reflect that the 6 Month Fixed Term Business Deposit Account is no longer available to open since 18th December 2020.

Clause Number	Existing Wording	New Wording
73.1	We offer three different types of business deposit account, Business Demand Deposit Account, Business 6 Month Fixed Term Deposit Accounts and Business 12 Month Fixed Terms Deposit Accounts.	We offer two different types of Business Deposit Accounts. Business Demand Deposit Account and Business 12 Month Fixed Term Deposit. The Business 6 Month Fixed Term account was taken off sale for new customers on 18th December 2020 and is only available to those who held this account type before this date.

## Changes to Clause 77. Interest

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

- We have deleted the current wording of Clause 77 and have replaced the clause in full.
- Some clauses have been re-numbered but there are no changes to the wording.
- 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
77.1	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.	The rate of interest may be (i) positive, where we pay interest to you (ii) neutral, where the interest rate is 0% and therefore no interest is paid by us or you (iii) negative, where you have to pay interest to us (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. The interest rate applicable to your Business Deposit Account is set out in our Business Deposit Rate Matrix.

Clause Number	Existing Wording	New Wording
77.2	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.	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.
77.3	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.	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. <b>[Previously clause 77.2]</b>
77.4	N/A	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. <b>[Previously clause 77.3]</b>

Clause Number	Existing Wording	New Wording
77.5	<p>Unless otherwise provided for in Clause 82 below, Interest is payable on the Business Deposit Account as follows:-</p> <p>77.4.1 Interest on a Business Demand Deposit 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 Demand Deposit Account is determined by reference to the relevant Business Deposit Rate Matrix applicable from time to time and the balance in the Business Demand Deposit Account. Interest is credited to the Business Demand Deposit Account periodically as set out in Clause 82</p> <p>77.4.2 Business Fixed Term Accounts</p> <p>77.4.2.1 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 Deposit Rate Matrix at that time.</p>	<p>Interest on different types of Business Deposit Accounts:</p> <p>77.5.1 Business Demand Deposit Accounts 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 77.1 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.</p> <p>77.5.2 Business Fixed Term Accounts 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 77.1 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> <p><b>[Previously clause 77.4]</b></p>
77.6	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 Clause 77.3-77.5 above. 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 77.8.2 below. The interest rate applicable to your Business Deposit Account is set out in our Business Deposit Rate Matrix.</p>

Clause Number	Existing Wording	New Wording
77.7	Interest may be subject to Deposit Interest Retention Tax or "DIRT" where appropriate. Please refer to Clause 14.	<p>Positive Interest may be subject to Deposit Interest Retention Tax or 'DIRT' where appropriate. Please refer to Clause 14.</p> <p><b>[Previously clause 77.5]</b></p>
77.8	N/A	<p>77.8 Negative Interest</p> <p>77.8.1 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> <p>77.8.2 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.</p> <p>77.8.3 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.</p> <p>77.8.4 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.</p>



## Changes to Clause 78. 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
78.1	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 77.8.4 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 79. Maturity of Business Deposit Accounts**  
**Summary of changes and what they mean for you:**

This clause has been updated 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 in a letter issued to you to notify of the upcoming maturity of your account.

Clause Number	Existing Wording	New Wording
79.4	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 fixed term product at the prevailing interest rate for that product on that date. If on the Maturity Date there is no similar 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.	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, 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.

**Changes to Clause 82. Additional Terms and Conditions for Particular Business Deposit Accounts**  
**Summary of changes and what they mean for you:**

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

Clause Number	Existing Wording	New Wording
82.2.1	The Business Deposit Demand Account is a Business Deposit Demand Account and is available in Euro and GBP.	The Business Deposit Demand Account is a Business Deposit Demand Account and is available in euro only.
82.2.2	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 77.8.2.

Clause Number	Existing Wording	New Wording
<b>82.2.5</b>	If the account balance (including interest added) exceed 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.	<b>Clause Removed</b>
<b>82.3.1</b>	The Business 12 month Fixed Term Deposit Account is a Business Fixed Term Account and is available in Euro and GBP.	The Business Deposit Demand Account is a Business Deposit Demand Account and is available in euro only.
<b>82.3.2</b>	The minimum deposit amount is €3000 or £2000 GBP.	The minimum deposit amount is detailed in the Deposit Rate Matrix.
<b>82.3.3</b>	The term of the Account is 12 months and no withdrawals can be made during this period.	The interest rate applicable on a Business 12 Month Fixed Term Account is determined by the total sum invested in the Business 12 Month 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 81.1. The term of the Account is 12 months and no withdrawals can be made during this period.
<b>82.3.4</b>	The term commences on the day you first make a lodgement into the Business Deposit Account.	The term commences on the day you first make a lodgement into the Business 12 Month Fixed Term Deposit Account.
<b>82.3.5</b>	Interest will be credited to the Account on maturity.	Positive Interest and Negative Interest is credited and/or debited to a Business 12 Month Fixed Rate Deposit Account on maturity.
<b>82.4</b>	Business 6 month Fixed Term Deposit Account.	Business 6 month Fixed Term Deposit Account (removed from sale for new accounts on 18th December 2020).
<b>82.4.1</b>	The Business 6 month Fixed Term Deposit Account is a Business Fixed Term Account and is available in Euro and GBP.	The Business 6 Month Fixed Term Deposit Account is a Business Fixed Term Account and is available in euro only to existing Accountholders since 18th December 2020. It is not available to new customers.
<b>82.4.2</b>	There is no minimum or maximum deposit amount.	The minimum deposit amount is detailed in the Deposit Rate Matrix.

Clause Number	Existing Wording	New Wording
82.4.3	The term of the Account is 6 months and no withdrawals can be made during this period.	The interest rate applicable on a Business 6 Month Fixed Term Account is determined by the total sum invested in the Business 6 Month Fixed Term Account on the date the funds are invested and the 34 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 81.1. The term of the Account is 6 months and no withdrawals can be made during this period.
82.4.5	Interest will be credited to the Account on maturity.	Positive Interest and Negative Interest is credited and/or debited to a Business 6 Month Fixed Rate Deposit Account on maturity.

**Changes to Clause 83. Availability of Client Accounts**  
**Summary of changes and what they mean for you:**

This clause is updated to reference Negative Interest and additional clauses have been added to outline that a Client Account will now be available as an optional extra where another Business Banking product is held. There is no obligation to avail of this. Full details in the clause below.

Clause Number	Existing Wording	New Wording
83.5	New Clause	A Client Account is available as an optional extra to a holder of an existing business banking product from KBC. There is no obligation to avail of this optional extra. The name on the Client Account must match the name(s) on the existing business banking product.
83.6	New Clause	A business customer does not have to open a Client Account to be able to avail of other business banking products. Our fees and charges are set out in our fees and charges brochure. There is no additional fee payable for operating a Client Account.
83.7	New Clause	Where a business banking product holder closes their remaining products and their only remaining product held is a Client Account, we reserve the right not to open any further Client Accounts for this customer.

## Changes to Clause 87. Interest

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

Summary of changes and what they mean for you:

- We have deleted the current wording of Clause 87 and have replaced the clause in full.
- This clause has been updated to permit KBC to apply negative interest rates to Client 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 Client Accounts.

Clause Number	Existing Wording	New Wording
87.1	Interest is only paid on Cleared Funds in respect of any Lodgements into your Client 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.	The rate of interest may be (i) positive, where we pay interest to you (ii) neutral, where the interest rate is 0% and therefore no interest is paid by us or you (iii) negative, where you have to pay interest to us (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. The interest rate applicable to your Client Account is set out in our Business Deposit Rate Matrix.
87.2	Interest on Cleared Funds will be calculated on the daily balance outstanding on the Client 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 a 360 day year and in the case of deposits in Sterling is a 365 day year. Any reference to 'per annum' or payments of an annual nature shall be construed accordingly.	Interest is calculated on Cleared Funds in respect of any lodgements into your Client 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.

Clause Number	Existing Wording	New Wording
87.3	<p>We reserve the right, at all times, to vary any and all applicable variable interest rates, by giving you 2 months 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 Client 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 87.2]</b></p>
87.4	<p>Unless otherwise provided for interest is payable on the Client Account as follows:-</p> <p>87.4.1 Interest on a Client 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 2 months notice thereof to you by whatever means that we, at our discretion, deem appropriate, save where the variation is to your beneficiaries in which circumstances we may implement such variation as soon as is practicable and notify you thereafter. The rate of interest applicable to the Client Account is determined by reference to the relevant Business Deposit Rate Matrix applicable from time to time and the balance in the Client Account.</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 two months 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 87.3]</b></p>
87.5	<p>If the account balance (including interest added) exceed the threshold for that particular interest rate the entire balance in the Business Demand Deposit Account will earn interest for that balance as per the Business Deposit Rate Matrix.</p>	<p>Interest on Client Accounts:</p> <p>87.5.1 Interest on a Client Account is a variable rate and may be positive, neutral, negative or a combination of these, as set out in clause 87.1 above. The rate of interest applicable to the Client Account is determined by reference to the relevant Business Deposit Rate Matrix applicable from time to time.</p>

Clause Number	Existing Wording	New Wording
87.6	Interest is credited to the Client Account annually in December each year.	Where the interest calculation results in interest being due to you ("Positive Interest") we will credit any Interest due to your Client Account in accordance with Clauses 87.3-87.5 above. Where the interest calculation results in Interest being payable to us ("Negative Interest") we will debit the interest due from your Client Account in accordance with clause 87.8 below.
87.7	Interest may be subject to Deposit Interest Retention Tax or "DIRT" where appropriate. Please refer to Clause 14.	Positive Interest may be subject to Deposit Interest Retention Tax or 'DIRT' where appropriate. Please refer to Clause 14
87.8	New Clause	<p>87.8 Negative Interest.</p> <p>87.8.1 You hereby authorise and instruct us to debit any Negative Interest from your Client Account when it becomes due and payable in accordance with these Terms and Conditions. You acknowledge that this will reduce the balance in the Client Account.</p> <p>87.8.2 In respect of Client 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.</p> <p>87.8.3 If the balance in the Client 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.</p> <p>87.8.4 You agree to maintain sufficient funds in the Client 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 Client Account not being sufficient to discharge Negative Interest when it becomes due and payable.</p>

Clause Number	Existing Wording	New Wording
87.9	New Clause	<p>Additional Terms and Conditions for Client Accounts</p> <p>87.9.1 The Client Account is a Business Deposit Demand Account and is available in euro only.</p> <p>87.9.2 Any Positive interest accrued is credited to the Client 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 87.8.</p> <p>87.9.3 A withdrawal facility is permitted on the Client Account.</p> <p>87.9.4 The interest rate applicable on a Client Account is determined by the balance (including Interest) in the account as set out in our Business Deposit Rate Matrix.</p>

### Changes to Clause 88. 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
88.1	You must ensure that Cleared Funds are maintained in your Client Account to meet any withdrawals. There is no Overdraft Facility on the Client Account.	You must ensure that Cleared Funds are maintained in your Client Account to meet any withdrawals. There is no overdraft facility on the Client Account. As noted in clause 87.8.4 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 Client Account not being sufficient to discharge Negative Interest when it becomes due and payable.





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