

**MEMORY  
ACCOUNT  
SERIES 16**

**THE BANK OF ME  
AND MY PLANS FOR  
THE FUTURE**

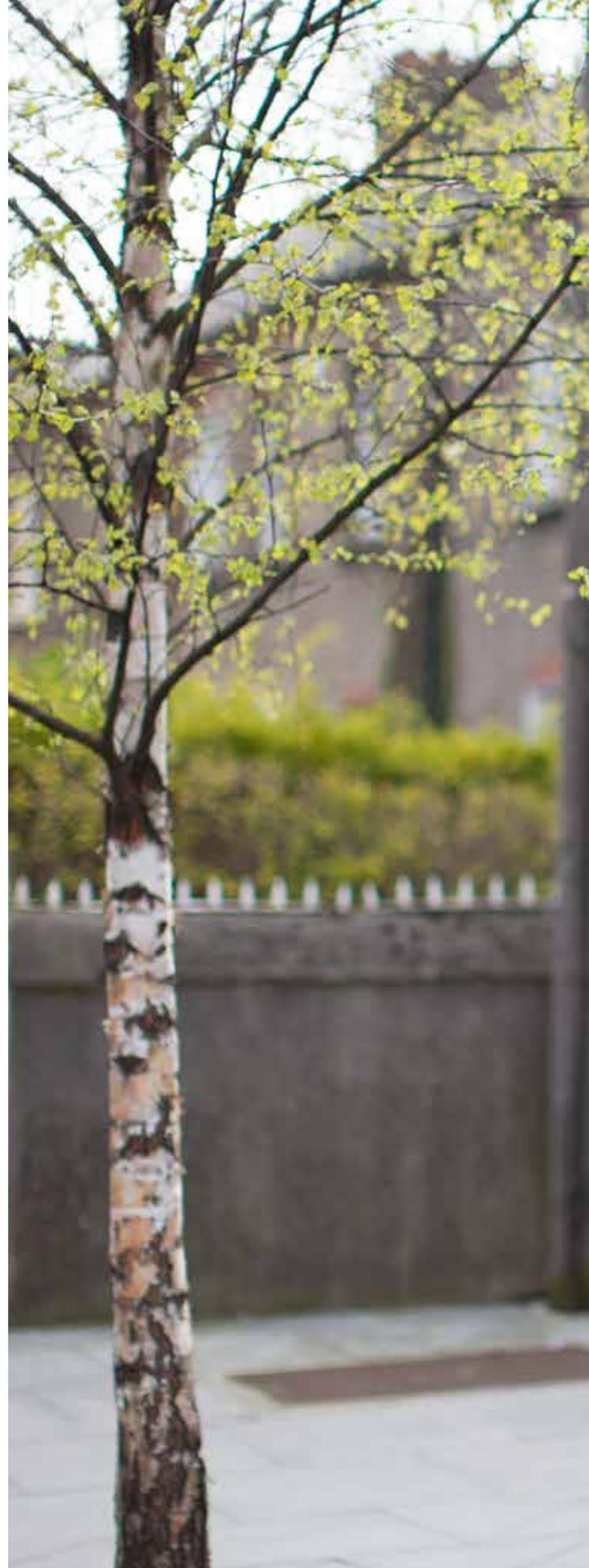
**THE BANK OF YOU**



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# WHAT THE ACCOUNT OFFERS YOU

## POTENTIAL ANNUAL RETURN

- If the Final Price of the EURO STOXX Select Dividend 30 Index at each Year End Date is greater than the Start Price on the Start Date ('the Coupon Condition'), a Base Coupon of 3.5% gross interest will be paid for that year. Otherwise, no interest will be earned in respect of that year.
- Minimum total return is 0% (AER 0.0%\*).
- Maximum total return is 17.5% (AER 3.5%\*).

## MEMORY FEATURE

- If the Coupon Condition is not satisfied at any one Year End Date but is satisfied at a subsequent Year End Date, the Interest payable in respect of the subsequent year will be the Base Coupon plus the Memory Coupon.
- The Memory Coupon is 3.5% gross interest multiplied by the number of previous year(s) since the Coupon Condition was last satisfied on a Year End Date or the Start Date, whichever is later.

## 100% CAPITAL SECURITY AT MATURITY

- Regardless of the performance of the EURO STOXX Select Dividend 30 Index, 100% of your capital will be repaid at maturity.
- Capital security is provided by KBC Bank Ireland plc.

## 5 YEAR DEPOSIT TERM

- No withdrawal may be made before the end of the investment term

## CLOSING DATE

- The Closing Date for fully completed applications is 4 p.m. on 20 March 2015.

\*Annual Equivalent Rate

**Warning: If you invest in this product you will not have any access to your money for 5 years.**

# INTRODUCTION

The turmoil in financial markets over the past six years has caused investors to become more risk averse. Wealth preservation has become the most important investment objective for many investors but they still have to place their money where they think it will achieve the best return for a given level of risk. The challenge, however, is to determine the level of risk that is commensurate with the potential return that may be achieved.

Structured deposits offer a solution to this by enabling investors to manage their risk exposure for a given level of potential return. The opportunity cost is the risk free rate of return that would otherwise be earned over the same deposit term. Investors must therefore evaluate the trade-off between these returns in their quest for better performance.

Other factors that need to be considered include the underlying asset and the term of the deposit. Taking all of these factors into account, investors are increasingly using structured deposits as a separate component in the construction of their investment portfolios in order to produce a more optimal trade-off between risk and return.

## IS THIS SUITABLE FOR YOU

This product is suitable for investors who:

- have a minimum of €10,000 to invest
- are satisfied with the creditworthiness of KBC Bank Ireland plc, a wholly owned subsidiary of Belgian-based KBC Bank NV
- have a low tolerance to capital risk (the Memory Account is 100% capital secure at maturity)
- have a medium tolerance to interest risk: any interest payable is dependent on the Final Price of the EURO STOXX Select Dividend 30 Index at each Year End Date being greater than the Start Price on the Start Date
- have a medium tolerance to interest risk (the total potential return over the deposit term will be within a range of 0% to 17.5% (0.0% to 3.5% AER))
- are able to commit funds for 5 years and do not anticipate any need to withdraw that money before the Maturity Date, even in the case of an emergency.





# WHY YOU MIGHT INVEST

## Economic policy diverging

Regional economies around the world are moving in different directions. Having moved broadly in line with each other during the global financial crisis, official policy in the US, the Eurozone and many developing countries is diverging in response to fluctuating economic conditions in each region.

## Steady US economic recovery

The aggressive reduction in interest rates and buy-in of government bonds by the Federal Reserve have pushed economic growth above 2% in 2014 with 3% forecast in 2015. Employment is at an all-time high and unemployment is down to 6%. With inflation below 2%, a tightening in monetary policy may now be delayed.

## Eurozone countering deflation

With the Eurozone beset by slow economic growth, high unemployment and downward pressure on prices, particularly in light of the fall in the oil price, it remains to be seen if the European Central Bank's decision to embark on a policy of aggressive buy-in of bonds will succeed in stimulating economic activity and drive inflation up to its 2% target rate.

## Emerging economies faltering

With the notable exception of China where an over-extended property market may slow economic growth and require lower interest rates to bolster the economy, budget and current account deficits in other major developing countries have forced interest rates higher, further depressing already flagging economic activity.

## Risk appetite increasing

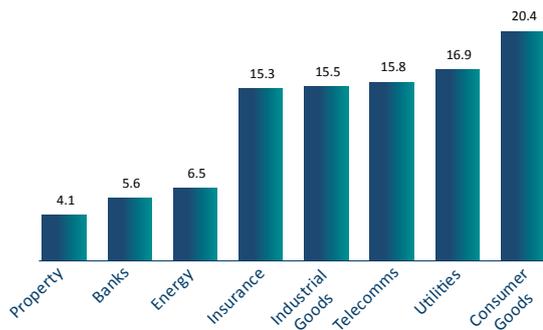
Despite economic and budgetary difficulties, equity markets have been propelled by strong earnings and by abundant liquidity that has been recycled into government bonds, driving yields down and forcing investors to move up the risk curve. Political unrest in eastern Europe and the Middle East has failed to unnerve investors in the quest for higher returns.

## Linking the Bonus Coupon to the EURO STOXX Select Dividend 30 Index

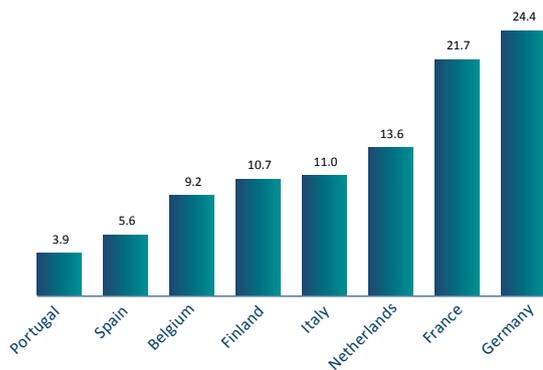
Over five years to the end of December 2014, the EURO STOXX Select Dividend 30 Index has risen by 2.4% and, reflecting a high yield and relatively stable market conditions, has become less volatile. This performance compares with an increase of 6.1% in the EURO STOXX 50 Index over the same period.

# EURO STOXX SELECT DIVIDEND 30 INDEX

## SECTOR DISTRIBUTION %



## COUNTRY DISTRIBUTION %



Source: Bloomberg

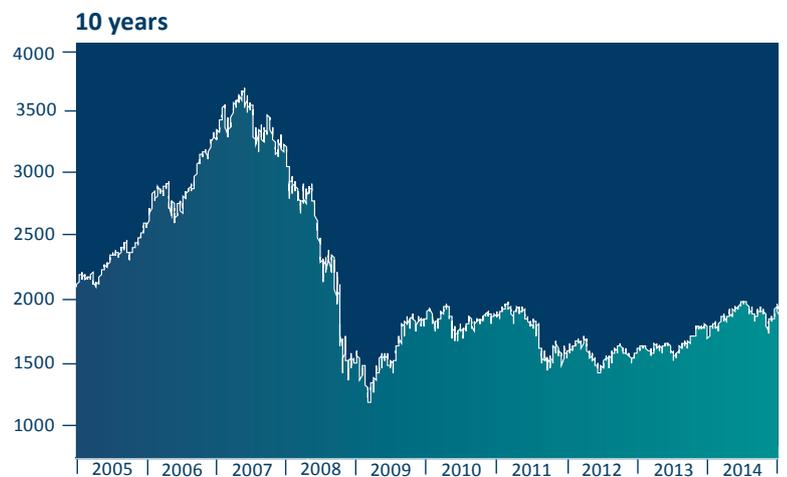
## BONUS COUPON ANALYSIS

The Condition to earn the Base Coupon (and potentially the Memory Coupon) is that the Final Price of the Index on a Year End Date is greater than the Start Price of the Index on the Start Date.

Looking at historical data over ten years to 31 December 2014 and investing in the EURO STOXX Select Dividend 30 Index every day during that period, over every one-year period the Index was up on 1,672 out of 2,567 occasions (65.1% of the time).

## HISTORICAL PERSPECTIVE

The charts below show the price movement of the Index over 5 and 10 years to the end of December 2014.



Source: Bloomberg

**Warning: Past performance is not a reliable guide to future performance.**

# WHAT YOU MIGHT EARN

The Memory Account offers the potential to earn a Base Coupon of 3.5% if the Final Price of the EURO STOXX Select Dividend 30 Index at the end of each year is greater than the Start Price on the Start Date ('the Coupon Condition'). Otherwise, no interest will be earned in respect of that year.

The Memory Feature: If the Coupon Condition is not satisfied at any one Year End Date but is satisfied at a subsequent Year End Date, the Interest payable in respect of the subsequent year will be the Base Coupon plus the Memory Coupon. The Memory Coupon is 3.5% gross interest multiplied by the number of previous year(s) since the Coupon Condition was last satisfied on a Year End Date or the Start Date, whichever is later. The table below illustrates how potential returns are calculated, based on a set of assumed interest payments and a Deposit Interest Retention Tax rate of 41%.

**TABLE 1: Illustrated Calculation of Deposit Returns**

|                           | Scenario 1                 |                     | Scenario 2                 |                     | Scenario 3                 |                     | Scenario 4                 |                     | Scenario 5                 |                     | Scenario 6                 |                     |
|---------------------------|----------------------------|---------------------|----------------------------|---------------------|----------------------------|---------------------|----------------------------|---------------------|----------------------------|---------------------|----------------------------|---------------------|
|                           | Coupon Condition Satisfied | Total Interest Paid |
| Year 1                    | Yes                        | 3.5%                | Yes                        | 3.5%                | No                         | 0%                  | No                         | 0%                  | Yes                        | 3.5%                | No                         | 0%                  |
| Year 2                    | No                         | 0%                  | Yes                        | 3.5%                | No                         | 0%                  | Yes                        | 7.0%                | No                         | 0%                  | No                         | 0%                  |
| Year 3                    | No                         | 0%                  | No                         | 0%                  | Yes                        | 10.5%               | No                         | 0%                  | Yes                        | 7.0%                | No                         | 0%                  |
| Year 4                    | No                         | 0%                  | No                         | 0%                  | No                         | 0%                  | Yes                        | 7.0%                | No                         | 0%                  | No                         | 0%                  |
| Year 5                    | No                         | 0%                  | No                         | 0%                  | No                         | 0%                  | No                         | 0%                  | Yes                        | 7.0%                | Yes                        | 17.5%               |
| Total Interest Before Tax |                            | 3.5%                |                            | 7.0%                |                            | 10.5%               |                            | 14.0%               |                            | 17.5%               |                            | 17.5%               |
| AER Before Tax            |                            | 0.71%               |                            | 1.43%               |                            | 2.10%               |                            | 2.80%               |                            | 3.45%               |                            | 3.27%               |
| Total Interest After Tax  |                            | 2.07%               |                            | 4.13%               |                            | 6.20%               |                            | 8.26%               |                            | 10.33%              |                            | 10.33%              |
| AER After Tax             |                            | 0.42%               |                            | 0.84%               |                            | 1.24%               |                            | 1.65%               |                            | 2.05%               |                            | 1.98%               |

Source: KBC Bank Ireland

**Warning: These figures are estimates only.  
They are not a reliable guide to the future performance of this investment.**

# KEY FEATURES

## LET'S TALK ABOUT ME AND MY PLANS FOR THE FUTURE

### How does the Memory Account work?

#### 1. The Product Producer is:

KBC Bank Ireland plc, Sandwith Street, Dublin 2.

#### 2. Brief Description of the Benefits of the Account:

The Memory Account is a five-year deposit based product that commences on the Start Date and potentially pays an annual Coupon depending on the future performance of the EURO STOXX Select Dividend 30 Index.

If the Final Price of the Index at each Year End Date is greater than the Start Price on the Start Date ('the Coupon Condition'), a Base Coupon of 3.5% gross interest will be paid in respect of that year. Otherwise, no interest will be earned in respect of that year.

If the Coupon Condition is not satisfied at any one Year End Date but is satisfied at a subsequent Year End Date, the Interest payable in the subsequent year will be the Base Coupon plus the Memory Coupon.

The Memory Coupon is 3.5% gross interest multiplied by the number of previous year(s) since the Coupon Condition was last satisfied on a Year End Date or the Start Date, whichever is the later.

The minimum return that may be earned on the Account is 0%. The maximum potential return that may be earned on the Account is 17.5% (AER 3.5%). All interest earned will be payable on the Coupon Payment Date to which it relates.

The minimum investment in the Account is €10,000 and the maximum is €1,500,000.

100% capital security is provided on the Account by KBC Bank Ireland plc.

#### 3. Dividends:

The Memory Account will not be directly invested in securities which are constituents of the Index and by investing in the Account, neither you, as an investor in the Account, nor the Bank will benefit from any dividends paid on those securities. The Memory Account is therefore suitable only as capital growth investment.

#### 4. Currency Risk:

The performance of the Index is calculated according to the change in its nominal level and there is consequently no exposure to exchange rates in the Account.

## Where does my investment go?

Your proposed investment will be used, at the date of the deposit, as follows:

- 100% of your investment will be held on deposit with the Bank. In relation to Interest payable on the Account, you will be entitled to the payment of such Interest annually after deduction of tax (if applicable) in addition to the return of 100% of your deposit at maturity.
- The Bank may, on its own account, enter into a swap arrangement with a third party whereby the Bank may agree to exchange the income stream generated by your deposit for such sums as may be necessary to pay any Interest due on the Account. Any such swap arrangement made by the Bank will not affect the obligation of the Bank with regard to any Interest payable to you under the terms of issue of the Account.
- Any benefit that the Bank receives by its use of the proceeds from your deposit over and above the Interest that is payable to you under the terms of the Memory Account will be for the Bank's own account. In the event that the Memory Account is distributed through an appointed intermediary of the Bank, a distribution fee up to 2% of the deposit sum will be payable by the Bank to that intermediary. Any intermediary remuneration will not affect the allocation of your investment in the Memory Account or any Interest payable to you under the terms of issue of the Account.

## Do I have access to my investment?

Your investment is for the fixed term of the Account and is intended only for investors who do not require access to their deposit prior to its maturity. No withdrawal may be made before the end of the Term. The ongoing cost of funding the underlying structure that will pay any interest to you during the deposit term means that the capital secure portion of the Account is only payable within five business days of the Maturity Date. During the deposit term, it may be difficult to obtain reliable information about its value or the extent of the risks to which it is exposed.

## What happens if I die before the Account matures?

In the event of the death of a sole investor or last surviving joint Account holder prior to the expiry of the Term, the Account will continue to the Maturity Date in the name of the executor or administrator.

In the event of the death of a joint Account holder prior to the expiry of the Term, the Account will continue to the Maturity Date in the name(s) of the surviving joint account holder(s).

## What about tax?

Interest payable on the Account is subject to Deposit Interest Retention Tax ("DIRT") where applicable and is currently payable at 41%. On any such interest, DIRT will be deducted prior to any Interest being paid. You should include this interest amount, before DIRT, in your income tax return for the year in which it is received. Both the rate of tax and tax rules are subject to change without notice.

Some Irish resident investors, such as individuals over 65 and those who are permanently incapacitated, may be entitled, in certain circumstances and subject to the completion of certain declaration forms, to be paid interest without the deduction of DIRT. Companies, pension funds and registered charities may be entitled, in certain circumstances, to be paid interest without deduction of DIRT. It is the responsibility of investors to obtain any tax relief that may apply. Tax reliefs are those currently applying, are subject to change without notice and apply directly to the customer. You should satisfy yourself in relation to Revenue reporting requirements and any implications of non-disclosure.

If you are not resident in the Republic of Ireland for tax purposes you may be exempt from DIRT on the Account. It is your responsibility to seek any applicable exemption. The Bank will deduct DIRT from the Account of non residents unless a fully completed non resident declaration form and other verification documentation required has been received by the Bank.

# TERMS AND CONDITIONS

## 1. Definitions

The following definitions apply to these Terms and Conditions and the contents of this Brochure:

**'Account'** or **'Memory Account'** means the Memory Deposit Account Series 16 which commences on the Start Date.

**'AER'** means Annual Equivalent Rate, calculated as the gross rate of interest adjusted for 365 days in a year.

**'Application'** means the completed application form together with a correctly referenced deposit for lodgement to the Account and all ancillary documentation as may be required by the Bank to open the Account.

**'Bank, we, our, us'** means KBC Bank Ireland plc.

**'Base Coupon'** means 3.5% gross interest.

**'Brochure'** means the document which explains the features and operation of the Memory Account and includes these Terms and Conditions.

**'Business Customer'** means a sole trader, a company with a turnover of less than €3 million, pension funds, partnerships, trusts, co-ownerships, charities and any person opening an Account in his or her capacity as a professional advisor.

**'Business Day'** means a day (other than Saturday or Sunday) on which banks in Ireland are generally open for business.

**'Closing Date'** means 20 March 2015.

**'Coupon Condition'** means if the Final Price of the Index at each Year End Date is greater than the Start Price on the Start Date.

**'Coupon Payment Date'** means the anniversary of the Start Date in 2016, 2017, 2018, 2019 and 2020.

**'Execution Only'** means where your decision to invest is on your own initiative without investment advice having been provided by a Financial Advisor.

**'Final Price'** means the official closing Index level on a Year End Date.

**'Financial Advisor'** means a qualified financial advisor employed by the Bank or by a Financial Intermediary.

**'Financial Intermediary'** means a regulated firm that is authorised by the Central Bank of Ireland to give investment advice and which is an appointed agent of the Bank.

**'Index'** means the EURO STOXX Select Dividend 30 Index (Bloomberg: SD3E <Index>).

**'Interest'** means the gross interest payable in accordance with Clause 8.

**'Maturity Date'** means 2 April 2020.

**'Memory Coupon'** means 3.5% gross interest multiplied by the number of previous year(s) since the Coupon Condition was last satisfied on a Year End Date or the Start Date, whichever is the later.

**'Start Date'** means 2 April 2015.

**'Start Price'** means the official closing Index level on the Start Date.

**'Term'** means the duration of the Account.

**'Terms and Conditions'** means the terms and conditions for the Memory Account

**'Year End Date'** means 1 April 2016, 31 March 2017, 29 March 2018, 2 April 2019 and 2 April 2020.

**'You/your'** means the person(s) (natural or corporate) depositing money in an account in accordance with these Terms and Conditions.

## 2. Interpretation

**2.1** The Brochure and these Terms and Conditions constitute the main terms and conditions applicable to the Account but they do not cover every possible situation that may arise. Where they do not cover a particular situation normal banking practice will apply.

**2.2** In this Brochure and these Terms and Conditions, unless the context otherwise requires, a reference to:-

**2.2.1** clauses and schedules are to clauses of, and schedules to the Brochure or

these Terms and Conditions as applicable, and the words "hereunder", "hereof", "hereto" and words with similar meaning shall be deemed to be references to these Terms and Conditions as a whole and not to any particular recital, clause or schedule of these Terms and Conditions;

**2.2.2** the singular includes the plural and references to the plural include the singular; references to the male include the female and references to the female include the male; and references to the neuter singular gender throughout these Terms and Conditions shall include all genders and the plural;

**2.2.3** any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted and shall include references to any provisions of which they are re-enacting (whether with or without modification);

**2.2.4** dates which do not fall on a Business Day shall be construed as references to the immediately subsequent Business Day;

**2.2.5** any other document referred to in these Terms and Conditions is a reference to that other document as amended, varied, novated or supplemented or replaced (other than in breach of the provisions of these Terms and Conditions) from time to time; and

**2.2.6** any party includes its successors and permitted assigns.

**2.3** Headings and titles are for convenience only and do not affect the interpretation or construction of these Terms and Conditions.

**2.4** In the Brochure, we may use examples to illustrate or explain a point covered by a clause but the clause and the meaning thereof is not limited to those examples.

## 3. Availability of the Account

**3.1** The Account is available to persons aged 18 or over opening an account in their sole name or in joint names with another person. A Business Customer may also open an Account. The minimum deposit is €10,000 and the maximum deposit is €1,500,000.

**3.2** The Account is available for Applications until the Closing Date. Any Applications received after 4 p.m. on the Closing Date will not be accepted and any incomplete Applications received by the Bank prior to 4 p.m. on the Closing Date will not be processed. The Bank accepts no responsibility for Applications until they are received by the Bank in hard copy.

**3.3** The Bank reserves the right to close the offer of the Account at any time prior to the Closing Date for any reason it, at its sole discretion, determines. Prior to submitting your application, please confirm with your Financial Advisor or the Bank that the offer is still available.

**3.4** The Bank reserves the right prior to the Start Date for any reason it, at its sole discretion, determines not to proceed with this Account and to refund your investment.

## 4. Account Opening

**4.1** Unless you are opening the Account on an Execution Only basis, your Financial Advisor is required to obtain and maintain sufficient information regarding your financial circumstances in order to comply with regulatory obligations to assess the suitability of the Account for your needs. You must also complete the relevant application form.

**4.2** To ensure compliance with our obligations in relation to anti-money laundering, the prevention of the financing of terrorism and to comply with taxation requirements, before you can open an Account and at anytime while you continue to hold and operate the Account, you will be required to produce to us the relevant documentation appropriate to your circumstances as set out in the Brochure or the Application Form.

**4.3** We reserve the right not to open an Account if we do not have satisfactory documentation that meets our legal and regulatory obligations in respect of anti-money-laundering and the prevention of the financing of terrorism or for any other reason in our absolute discretion.

**4.4** You must immediately notify us in writing of any change in your name, address, telephone number or other contact details.

**4.5** To complete an Account opening, you must lodge funds by way of cheque, bankers draft or electronic funds transfer to the Account. Electronic funds transfers must be cleared on or before 27 March 2015. Cheque payments must be cleared on or before 31 March 2015.

**4.6** No interest will be paid in relation to the period from receipt of the funds up to the Start Date or in the event that the Bank does not proceed with the Account on the Start Date.

#### **5. Right to Cancel Agreement**

You have the right to cancel this agreement prior to the Start Date. If you wish to cancel, notice must be received in writing by KBC Bank Ireland plc, Sandwith Street, Dublin 2 before 4 p.m. on 1 April 2015.

#### **6. Joint Accounts**

**6.1** An Account can be opened in the name of more than one customer. The obligations of the Accountholders to the Bank in respect of these Terms and Conditions and in relation to all operations in connection with a Joint Account shall be joint and several.

**6.2** A Joint Account will always operate on the basis that any one Accountholder is authorised to operate and provide instructions in respect of the Account without the authority or consent of the other Accountholder. Therefore the instructions of one Accountholder shall be deemed to be the instructions of both Accountholders. If you wish to place any limitations on the operation of a Joint Account you must advise us in writing signed by both Accountholders. In order to close a Joint Account the written instructions of both Accountholders will be required.

**6.3** Correspondence and notices including statements in relation to Joint Accounts will be sent to or served on the first named Accountholder unless the other Accountholder directs otherwise in writing. Any such correspondence and/or notices so sent or served will be deemed to have been received and served upon both Accountholders.

**6.4** If we become aware of any dispute or disagreement in respect of the Account (including a dispute between joint Accountholders), we may suspend the operation of the Account with or without notice to you. No transactions or withdrawals will be permitted in respect of the Account until such time as we are satisfied that the dispute has been resolved. We shall not be liable for any losses, costs, fees or expenses that may arise as a result of the Account being suspended and you shall keep us fully indemnified against any costs, fees or expenses incurred by us in connection with the suspension of the Account.

#### **7. Your Investment**

Your investment is placed in a fixed term deposit account in your name with the Bank who is the ultimate provider of the capital secure portion of the deposit. The Bank undertakes to repay 100% of your original investment at the end of the Term and pay Interest in accordance with Clause 8 below.

#### **8. Interest**

**8.1** You shall be entitled to the Interest payable, if any, on each Coupon Payment Date.

**8.2** If the Coupon Condition is satisfied on a Year End Date, you will be entitled to the Interest payable on the related Coupon Payment Date. This will be paid within five Business Days of that Coupon Payment Date to the account identified by the Accountholder(s) in the Application Form.

**8.3** If the Coupon Condition is not satisfied on a Year End Date, you will not be entitled to any Interest in respect of that year on the related Coupon Payment Date or any future Coupon Payment Date.

**8.4** The amount of Interest payable on each Coupon Payment Date is

determined as follows:

**8.4.1** If the Coupon Condition is not satisfied on a Year End Date, the Interest payable in respect of that year will be nil;

**8.4.2** If the Coupon Condition is satisfied on the Year End Date in 2016, the Interest payable in respect of that year will equal the Base Coupon;

**8.4.3** If the Coupon Condition is satisfied on any other Year End Date and was satisfied on the Year End Date of the previous year, the Interest payable in respect of that year will equal the Base Coupon.

**8.4.4** If the Coupon Condition is satisfied on any other Year End Date and was not satisfied on the Year End Date of the previous year, the Interest payable in respect of that year will equal the Base Coupon plus the Memory Coupon. Any Interest payable under this clause 8.4.4 is paid as Interest in respect of the year ended on the relevant Year End Date and is not paid as Interest for any previous year(s).

**8.5** The Bank gives no representation or warranty in relation to the possible future performance of the Index. Historical performance is no indication of future return.

**8.6** In the event of a corporate or other action fundamentally affecting the availability or valuation of the Index, the Bank will be entitled to substitute the Index or to make any adjustment that it deems appropriate in relation to any Interest applicable to Account.

#### **9. Early Encashment**

**9.1** Your Account is a fixed investment for the Term and is intended only for investors who do not require access to their deposit prior to its maturity. Subject to Clause 9.2 below, no withdrawal may be made before the end of the Term.

**9.2** In exceptional circumstances the Bank may, at its sole discretion and subject to reasonable conditions, permit the early encashment of the Account. The capital security attaching to the Account applies only at the Maturity Date and will not therefore apply in these circumstances. If the Bank agrees to the early encashment of the Account, we will notify you of the realisable value (as determined by the Bank at its absolute discretion) applicable in those circumstances where early withdrawal from the Account is requested. The realisable value will include a deduction for an administration fee equal to 1% of the original investment amount, subject to a maximum sum of €1,000 per Account. A written statement from the Bank regarding the realisable value shall, in the absence of manifest error, upon acceptance be binding on you.

#### **10. Death of Accountholder**

**10.1** We must be informed of the death or incapacity of an Accountholder and the necessary documentation in accordance with legal and regulatory requirements must be provided before any transaction will be permitted on the Account after the death or incapacity of an Accountholder.

**10.2** In the event of the death of a sole investor or surviving joint account holder prior to the expiry of the Term, the Account will continue to the Maturity Date in the name of the executor or administrator.

**10.3** In the event of the death of a joint Account holder prior to the Maturity Date, the Account will continue to the Maturity Date in the name(s) of the surviving joint Account holders with the monies paid to the surviving joint Account holder(s) on maturity subject to any rights of set off or any other rights of the Bank whether statutory or otherwise.

**10.4** In the event of the death of a beneficial owner of a pension plan prior to the Maturity Date, the Account may be encashed prior to the Maturity Date at the request of the trustee(s) of the pension plan. The capital security attaching to the Account applies only at the Maturity Date and will not therefore apply in these circumstances. The Bank will notify the pension trustee(s) of the realisable value (as determined by the Bank at its absolute discretion)

# TERMS AND CONDITIONS

applicable in those circumstances where early withdrawal from the Account is requested. The realisable value will include a deduction for an administration fee equal to 1% of the original investment amount, subject to a maximum sum of €1,000 per Account. A written statement from the Bank regarding the realisable value shall, in the absence of manifest error, be binding on you.

## 11. Deposit Interest Retention Tax ('DIRT')

**11.1** In accordance with tax law, we are obliged to deduct DIRT at the then applicable rate from any interest paid on the Account (unless you are entitled to an exemption and fulfil the required conditions). It is the responsibility of Accountholders to seek any tax relief that may apply.

**11.2** A certificate of interest in respect of the Account, detailing the gross interest, the DIRT deducted, the net interest on the Account and the date of the payment of interest will be issued to you on an annual basis in conjunction with your statement. A certificate of interest will only be issued where interest has been paid in respect of the Account in a particular year.

**11.3** We will make all disclosures and provide all information required by the Revenue Commissioners and any other relevant authorities in accordance with applicable laws and regulations.

## 12. Fees and Charges

**12.1** No fees, charges or expenses (other than those which may be applied in relation to early encashment as per Clause 9) are levied by the Bank in respect of the management and operation of the Account.

**12.2** Any benefit the Bank receives from your deposit held in your Account will be for the Bank's own account and will not affect any interest payable to you under these Terms and Conditions.

## 13. Maturity

**13.1** The proceeds of your investment in the Account will be paid within five business days of the Maturity Date. No interest will be paid in relation to the period between the Maturity Date and the payment date.

**13.2** The Bank will contact you before the Account matures, advising you of the forthcoming maturity and seeking your instructions. If, for any reason, the Bank receives no specific instructions by the time the Account matures, the proceeds will be transferred to the Bank's Standard Demand Deposit Account in your name and the then prevailing terms and conditions of the Bank's Standard Demand Deposit Account will apply.

## 14. Representations and Warranties

**14.1** Where the Accountholder is a natural person(s), you hereby warrant and represent to the Bank that:-

**14.1.1** I/We have read the Brochure including these Terms and Conditions and understand the nature and risk of investing in the Account.

**14.2** Where the Accountholder is a corporate entity, you hereby warrant and represent to the Bank that:-

**14.2.1** you are duly incorporated and validly existing under the laws of its jurisdiction of incorporation;

**14.2.2** the application form and the resolution contained therein have been duly and validly executed;

**14.2.3** the opening of the Account and the entering into and performance of this agreement are within your corporate powers, have been authorised by all necessary corporate actions, does not contravene any law or regulation, its constitutional documents or contractual restrictions binding on you and constitutes legal valid and binding obligations on you enforceable in accordance with their terms;

**14.2.4** there are no pending or threatened actions or proceedings before any court or tribunal nor are there any insolvency proceedings pending or threatened in connection with it; and

**14.2.5** it is opening the Account in the course of its trade, business or profession and that it is not acting as a consumer within the meaning of

relevant Consumer Credit legislation, the European Communities (Unfair Contract Terms in Consumer Contracts) Regulations, 1995 or the Distance Marketing Regulations (or other consumer protection legislation or regulations protecting individuals who are acting outside their trade, business or profession) and that it is not entitled to the protections afforded to consumers by them.

**14.3** Where the Accountholder is a partnership, trust, pension fund or charitable trust, you hereby represent and warrant to the Bank that:-

**14.3.1** the Application has been duly and validly executed in accordance with the partnership agreement or trust deed and you are duly authorised under the partnership agreement or trust deed to invest in the Account;

**14.3.2** the Terms and Conditions applicable to the Account are binding on you and there is a valid, binding and enforceable trust deed in place and the opening of the Account does not contravene any terms of the partnership agreement or trust deed, law or other contractual restrictions binding upon you.

**14.3.3** you are not (and would not with the giving of notice or lapse of time or the satisfaction of any other condition or any combination thereof) be in breach of or in default under the trust deed establishing the pension fund;

**14.3.4** all necessary consents and authorisations to enable or entitle you to enter into this investment and/or open the Account have been obtained and are in full force and effect and will remain in such force and effect at all times during the term of the investment.

**14.4** Where the Accountholder is an Approved Retirement Fund (or an Approved Minimum Retirement Fund) the Accountholder's Qualifying Fund Manager hereby warrants and represents to the Bank that

**14.4.1** it is authorised by the Revenue Commissioners and

**14.4.2** the Application has been duly authorised and validly executed in accordance with the agreement of the beneficial owner.

**14.5** These warranties are deemed to be given on making the Application, on the Start Date and the date upon which any interest is credited to the Account.

## 15. Telephone contact/electronic communication

**15.1** When you contact us about the Account we may ask you to confirm answers to previously nominated security questions. If you are unable to answer these correctly or if for any reason we doubt the validity of the inquirer we can request that the queries be submitted in writing to us, signed by the Accountholder(s).

**15.2** Telephone calls may be recorded to confirm instructions given, for staff training purposes, and under our quality assurance procedures. You hereby consent and agree to any such recording or transcript thereof being used in evidence in any litigation, arbitration, or other dispute proceedings. In addition you shall not object to any electronic records being relied upon by us, including in any litigation, proceedings or other dispute proceedings' purely because they are in electronic form and may not be the best evidence available as to the matters to which they relate.

**15.3** You hereby authorise us to accept as legally binding and to act upon instructions communicated or transmitted to us by you or on your behalf by telephone, facsimile, electronic mail or any other electronic communications network or system operated by the Bank ('electronic communications') as well as those delivered by hand, post or courier. We are not obliged to accept and act upon such instructions however such instructions shall be binding on you and unless we specifically request it, no written confirmation is required before we shall act on such electronic instructions. If the security questions referred to at 15.1 above are answered to our satisfaction, we shall not be required to inquire further into the authenticity and genuineness of the person purporting to communicate the instructions. We may however at our absolute discretion seek such further authentication and/or confirmation in relation to

the instructions as we determine to be necessary in the circumstances which may include requiring the Accountholder(s) to furnish such instructions in writing.

**15.4** We shall not be liable, responsible or accountable for any consequence arising due to any misinterpretation of, non receipt or delay in receipt of, the non transmission or loss in transmission of, or the illegibility of, the electronic communication containing the instruction.

**15.5** In consideration of us accepting instructions by way of electronic communication, you hereby undertake to indemnify us and keep us indemnified against all losses, claims, proceedings, actions, damages, costs, fees and expenses of whatever nature, howsoever incurred or sustained by us arising out of or in connection with such instructions so long as we have acted reasonably and in good faith.

#### **16. Notices**

**16.1** Letters to the Bank can be posted to or delivered by hand and should be addressed to KBC Bank Ireland plc, Sandwith Street, Dublin 2.

**16.2** Any notices, demands or statements required to be sent to you shall, if sent by prepaid ordinary post be deemed given to you 48 hours after it was sent to your last known address or if given by hand, when delivered and if given by facsimile or secure email, when transmission is completed and confirmation receipt is received.

#### **17. Currency**

The currency of the Account shall be Euro or such other currency as may from time to time be the lawful currency of the Republic of Ireland.

#### **18. Force majeure**

We will not be in breach of our obligations under these Terms and Conditions nor liable to you if we are prevented from or there is a delay in providing any service to you or performing any of the Bank's obligations hereunder (including carrying out any transactions or instructions received in respect of the Account) where such failure or delay arises because of any act of God, fire, act of government or state, war, terrorism, civil commotion, insurrection, embargo, failure of computer or communication system, prevention from or hindrance in obtaining energy or other supplies, labour disputes of whatever nature, late or mistaken payment by an agent or any acts or omissions of the Bank's agents or third parties or any other reason beyond the Bank's control.

#### **19. Set Off**

You hereby agree that the Bank may at any time, without notice, notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of this Account and set-off or transfer any sum standing to the credit of this Account in or towards satisfaction of any of your obligations or liabilities to the Bank, whether such liabilities be present, future, actual, contingent, primary, collateral, several or joint.

#### **20. Waiver**

No time or indulgence which we may extend to you nor any waiver by us of any breach of any clause of the Terms and Conditions shall affect our rights and powers thereunder or affect our ability to enforce that term or condition at any time in the future.

#### **21. Severability**

Each of the clauses, sections and sub-sections of the Terms and Conditions is severable and distinct from the others. If at any time such clause, section or sub-section is or becomes invalid, illegal or unenforceable, this will not affect the validity, enforceability and legality of any other clause, section or sub-section of these Terms and Conditions.

#### **22. Amendment and Variation**

The Bank reserves the right to amend these Terms and Conditions during the Term where the Bank, at its absolute discretion, deems it necessary and

appropriate or where there is a material legal, tax or regulatory change affecting these Terms and Conditions. Any such changes will be consistent with our obligation to act honestly, fairly and professionally in your best interests. We will notify you where necessary of any changes at least 30 days in advance of such changes taking effect.

#### **23. Statutory Rights**

**23.1** If there is any conflict between these Terms and Conditions and your statutory rights, your statutory rights will prevail.

**23.2** These Terms and Conditions will not affect any legal liability or duty of care which we owe to you by law, any other duty we have to act with skill, care and diligence in connection with the provision of this financial service to you or any liability we owe to you for failure to exercise the degree of skill, care and diligence that may reasonably be expected of us in the provision of this financial service.

#### **24. Liability and Indemnity**

**24.1** Subject to Clause 23 but to the fullest extent permissible by law, we will not be liable for any direct, indirect or consequential loss or damage suffered by you resulting from or in connection with the performance by us of our obligations under these Terms and Conditions, the operation and management of the Account or the carrying out of transactions or instructions received in respect of the Account unless such loss, damage or liability is caused by our fraud, wilful default or gross negligence.

**24.2** You hereby agree to indemnify us in full against any loss, damage or expense which we may incur as a result of any breach by you of these Terms and Conditions.

#### **25. Endorsement**

The Account is not sponsored, endorsed, sold or promoted by any of the companies included in the Index or by the Index sponsor, STOXX Limited. Neither any of these companies nor STOXX Limited has any obligation or liability in connection with the promotion or administration of the Account.

#### **26. Assignment**

**26.1** The Bank may (without the need for any further consent from or notice to you) assign, transfer, sell or novate, or otherwise grant interests in or dispose of the whole or any part of the benefit of the Account and its rights and obligations thereunder.

**26.2** You may not assign, transfer, sell or novate or otherwise grant interests in or dispose of the whole or any part of the benefit of the Account and its rights and obligations thereunder without the prior written consent of the Bank.

#### **27. Information**

**27.1** The Brochure, these Terms and Conditions and all information which we supply to you and all other communications with you will be in English. Information contained in this Brochure is correct as of 28 January 2015.

**27.2** You acknowledge that the Application is made on the basis of the Brochure and these Terms and Conditions, is subject to these Terms and Conditions together and that you have not relied on any representations or other information (whether oral or written) other than as set out herein.

**27.3** Please note that the Account is not covered by the Markets in Financial Instruments Regulations 2007. The Account is, inter alia, subject to the requirements and provisions of the Consumer Protection Code 2012 and the Investment Intermediaries Act 1995.

#### **28. Governing Law**

You agree that the Account and these Terms and Conditions (including any amendments made thereto) shall be governed by and construed in accordance with the laws of Ireland and that the courts of Ireland shall have exclusive jurisdiction to resolve any disputes arising out of or in connection therewith.

# OTHER INFORMATION FOR YOU

## Following the progress of your investment

Following the Start Date, the Bank will write to you to confirm the details of your Account. The Bank will then write to you on an annual basis, informing you of the performance of your deposit. On request, the Bank will provide you with an updated statement of your Account.

## Data Protection

The details collected from your Application, together with any other information that is furnished to us in connection with your application or your Account ("Information"), will be retained and processed by us and our subsidiary companies for the following purposes: processing and assessing the application(s), administering your Account, verifying the Information and otherwise meeting our legal and compliance obligations (which include those relating to the prevention of money laundering, financing of terrorism and fraud), quality control and group reporting and management, and if you have consented, for marketing purposes.

We may disclose Information in the following circumstances: to other companies within the KBC Bank Group, to our agents, advisers, service providers and contractors (and any subcontractors of the foregoing parties) for the above purposes, to other persons connected with your Account (e.g. company directors, partners etc) and to your financial advisers or other intermediaries, in the context of a sale of our business; or where we are required by any regulatory body, law enforcement agency, court or other legal process.

Your Information can be processed, recorded and retained by us in electronic form. You agree that the Bank may communicate with you electronically in relation to your Accounts, and that it may rely on such electronic communications, records, originals and documents in any dealing with you.

You have the right to receive a copy of all personal data (within the meaning of the Data Protection Acts 1988 and 2003) relating to you which is held by us following a written request (for which a small fee will be charged) and to have any inaccuracies in your personal data corrected. You may be required to provide us with sufficient information to verify your identity and locate your data.

## Complaints Procedure

We aim to provide a friendly and efficient service to our customers and it is our policy to ensure that all your concerns are dealt with fairly and promptly. If you have any complaint in relation to the business services provided by us, you should outline the nature of your complaint to us in writing or by telephone. The complaint will be fully investigated by us and a full response will be provided to you. While our investigation of any complaint is ongoing, we will provide you with a regular written update. In the event you are dissatisfied with the outcome of your complaint you may be entitled to refer your complaint to:-

The Financial Services Ombudsman's Bureau,  
3rd Floor, Lincoln House, Lincoln Place, Dublin 2.  
Telephone: (01) 6620899  
Lo Call: 1890 88 20 90  
Fax: (01) 6620890  
Email: [enquiries@financialombudsman.ie](mailto:enquiries@financialombudsman.ie)

A copy of our complaints handling procedure is available on request.

## Conflicts of Interest

It is the policy of the Bank to mitigate and where necessary avoid conflicts of interest when providing services to our customers. If conflicts arise and the cannot be easily avoided, the Bank will inform you of the potential conflict and will use reasonable endeavours to resolve such conflicts of interest to ensure you are treated fairly. You will be required to acknowledge the conflict of interest in a durable medium should you wish to proceed with the banking service.

## STEP BY STEP GUIDE TO ACCOUNT OPENING

### 3 simple steps to help you complete this form

In order to open your account successfully, please follow the simple steps and submit all documentation required.

#### How to proceed

1. Complete the Application Form in block capitals, tick the appropriate boxes and sign where indicated.
2. The following documentation is required to be provided by personal investors for anti-money laundering and tax purposes:



#### Proof of Identity

Copy of passport or full driver's licence certified by your Financial Advisor (if you have had face to face contact) or by one of the following: Garda, Accountant or Solicitor.



#### Proof of Address

Two original utility bills, bank statements or Revenue documentation as appropriate, less than 6 months old.



#### Verification of Tax Reference Number (PPSN)

An original document issued by the Revenue Commissioners or the Department of Social Protection bearing your PPS number (or a copy of same certified by your Financial Advisor).

Relevant documentation will be required for tax-free status in the case of qualifying individuals aged over 65 and non-Irish residents.

3. Ensure that this Form, together with appropriate funds and all relevant documentation, is received by KBC Bank Ireland no later than 4 p.m. on the Closing Date, 20 March 2015.

A separate Application Form as well as other documentation will be required for pension, corporate, charitable and other institutional applicants. Please refer to your Financial Advisor for more details.



# PART 2 OF 4

## MEMORY ACCOUNT SERIES 16

### Your Investment

Please confirm the following:

My/Our investment objective is:

Capital Security     Capital Growth     Income Generation

I/We wish to invest €  in the Memory Account Series 16. Minimum €10,000.

Please make cheques payable/arrange funds transfer to KBC Bank Ireland plc. Account details as follows:

|                    |                                      |          |                            |
|--------------------|--------------------------------------|----------|----------------------------|
| Bank:              | Ulster Bank                          | Address: | 33 College Green, Dublin 2 |
| Account Name:      | KBC Bank Ireland plc Deposit Account | BIC:     | ULSBIE2D                   |
| Account Reference: | Client Name / Memory Account 16      | IBAN:    | IE18ULSB98501012254215     |

### Bank Account Details for Interest Payments

You must complete this section in order to receive interest payments.

|                    |                      |
|--------------------|----------------------|
| Bank Name:         | <input type="text"/> |
| Bank Address:      | <input type="text"/> |
| BIC:               | <input type="text"/> |
| IBAN:              | <input type="text"/> |
| Account Name:      | <input type="text"/> |
| Account Reference: | Memory Account       |

### Customer Information

#### 1<sup>st</sup> Applicant

Are you an existing customer?    Yes     No

If Yes, Account Number

#### Deposit Guarantee Scheme

Are you an employee of KBC Bank Ireland?    Yes     No

If Yes, please provide details:.....

Are you connected professionally or related to an employee of KBC Bank Ireland?    Yes     No

If Yes, please provide details:.....

#### Security Question

(For telephone/email account enquiries)

|                         |                      |
|-------------------------|----------------------|
| 1. Mother's Maiden Name | <input type="text"/> |
| 2. Place of Birth       | <input type="text"/> |
| 3. Favourite Colour     | <input type="text"/> |

#### 2<sup>nd</sup> Applicant

Are you an existing customer?    Yes     No

If Yes, Account Number

#### Deposit Guarantee Scheme

Are you an employee of KBC Bank Ireland?    Yes     No

If Yes, please provide details:.....

Are you connected professionally or related to an employee of KBC Bank Ireland?    Yes     No

If Yes, please provide details:.....

#### Security Question

(For telephone/email account enquiries)

|                         |                      |
|-------------------------|----------------------|
| 1. Mother's Maiden Name | <input type="text"/> |
| 2. Place of Birth       | <input type="text"/> |
| 3. Favourite Colour     | <input type="text"/> |

# PART 3 OF 4

## MEMORY ACCOUNT SERIES 16

### Joint Accounts

Please select one of the following:

Statements and/or correspondence are to be sent to: jointly, to the first address  individually, to each address

Please state any limitations that you wish to place on the Account:

.....

.....

Warning: If the Account is a Joint Account then either Accountholder may provide instructions in relation to the Account and generally operate the Account without the consent or knowledge of the other Accountholder. Should you wish to impose limitations on the operation of the Account please notify us in writing on the Application Form above.

### Declaration

1. I/We hereby request KBC Bank Ireland plc to open and continue a deposit account in my/our name(s) until the end of the Term.
2. I/We declare that the details above are correct.
3. I/We are over 18.
4. I/We were offered the facility of having a full financial review performed and, in such circumstances, were afforded the opportunity to avail of having a third party present during the investment sales process.
5. I/We have been provided with, understand and agree to bound by (1) the Terms and Conditions and (2) the Data Protection paragraphs set out in this Brochure.
6. I/We explicitly consent to the use, retention and reproduction of sensitive personal data (e.g. information about your health) and acknowledge that if I/we do not permit such processing, it will not be possible to provide me/us with this product.
7. I/We have sufficient other funds available in the event of an emergency arising to cover any expenses (such as medical and long-term care) that may occur during the investment term.
8. I/We understand that the investment will not be deemed to have been made until the application has been accepted by the Bank and that, if and when accepted by the Bank, the investment will commence on 2 April 2015.
9. I/We understand there is no access to the funds invested until maturity.
10. I/We understand that capital security is provided by the Bank.
11. Investment advice: I/we declare that –

Yes, I/we have received professional investment advice.

No, I/we have NOT received professional investment advice and wish to proceed on an Execution Only Basis.

I/We acknowledge that I/we have requested information on the Memory Account and confirm that I/we do not wish to provide information in respect of my/our financial history and investment objectives to determine the suitability of this investment for my/our purposes but wish to proceed with the investment on an Execution Only basis. By doing so I/we acknowledge that I/we are waiving my/our right(s) as a consumer in relation to the suitability of this product. I/We have not obtained any assistance in the choice of product from a Financial Advisor.

Please be advised that, if you have ticked 'No' above, the Bank does not have the information necessary to determine the suitability of the Memory Account for you and you make this investment at your own risk.

Signed:   
1st Applicant

Date:

Signed:   
2nd Applicant

Date:

# PART 4 OF 4

## MEMORY ACCOUNT SERIES 16

### To Receive Promotional Communications

A member of the Bank may contact the person(s) identified overleaf in connection with this application. In addition, from time to time, the Bank would like to notify its customers of promotional offers, competitions and information on products and services available from KBC Group and carefully selected third parties. The personal data provided on this form may be used to send marketing material or to electronically communicate (by email or text message) or to telephone named customers about such products and services.

If you do not want to receive these communications, please tick this box: Applicant 1  Applicant 2

If you later decide that you do not want to receive this information you can write to  
Marketing Department,  
KBC Bank Ireland,  
Sandwith Street,  
Dublin 2  
or email: marketing@kbc.ie

### Intermediary Declaration

I have met the above applicant(s) face to face Yes  No

I, the undersigned, declare that –

1. I have sighted all original relevant money laundering documentation in respect of the applicant(s) as per the Criminal Justice (Money Laundering & Terrorist Financing) Act 2010 (as amended) (the "AML Act") and any codes/instructions issued or approved by the Central Bank of Ireland or any other appropriate body, and have provided copies of the original documentation to KBC Bank Ireland plc. I certify that I will retain same for the required period of time taking into account the AML Act, any codes/instructions issued or approved by the Central Bank of Ireland or any other appropriate body and all other relevant legislation including but not limited to the Companies Acts 1963-2013 and the Statute of Limitations 1957-1991.
2. if the applicant(s) has/have obtained assistance in relation to this investment, appropriate fact-find and suitability obligations have been performed.
3. Where, during discussions with the applicant(s), you have identified any vulnerabilities, please advise the nature of the vulnerability:  
.....
4. if the application is being made on an Execution Only basis, the applicant(s) has(ve) been warned in writing that I do not have the information necessary to determine the suitability of this product for the applicant(s).

Financial Intermediary:

Financial Intermediary Code Number:

Financial Advisor Name:

Financial Advisor Signature:

Date:

# ABOUT KBC

Headquartered in Brussels, KBC Group is an integrated bank-insurance group focused on serving retail, private banking, SME and mid-cap clients.

It occupies leading positions in its home market of Belgium and in the Czech Republic, Slovakia, Hungary and Bulgaria, where it offers a comprehensive range of banking, asset management, life and non-life insurance products and services. Apart from Ireland, it has a limited presence elsewhere in the world, primarily to support corporate clients from its core markets.

KBC Group is positioned as a well-capitalised and risk-aware entity that has set itself a common equity ratio target under Basel III guidelines of at least 10.5% of total risk-weighted assets. This stood at 13.7% fully loaded at 30 September 2014 at which point the Group tier-1 ratio under Basel III was 15.2%.

With a current stock market capitalisation of €20 billion, KBC Group is one of the 25 largest financial organisations in Europe, employing some 36,000 staff worldwide and serving 10 million customers through more than 1,600 branches.

The banking unit within KBC Group is KBC Bank NV which has a current long term credit rating of A- from Standard & Poor's.

## KBC Bank Ireland plc ('KBCI')

KBCI is a wholly owned subsidiary of KBC Bank NV. It has a strong presence in Ireland where it has been operating for over 40 years providing business and personal banking services to customers.

We are committed to delivering innovative personal banking solutions to our customers. With over 800 employees, you can be secure in the knowledge that you are dealing with a bank that understands your needs and is supported by a financially sound parent.

KBCI had a tier-1 ratio of 13.8% (Basel III) at 30 September 2014 and currently has a long term credit rating of BBB- from Standard & Poor's.

The Bank is registered with the Companies Registration Office under registration number 40537. Its Value Added Tax number is 8F86824G.

KBC Bank Ireland plc is regulated by the Central Bank of Ireland.

## You can contact us:

- (a) by calling in to any of our offices the locations of which are set out on our website or
- (b) by telephone at 1800 51 52 53 or
- (c) by email at [salesenquiries@kbc.ie](mailto:salesenquiries@kbc.ie) or
- (d) by writing to KBC Bank Ireland plc, PO Box 8666, Sandwith Street, Dublin 2.

# JOIN A BANK THAT'S ALL ABOUT YOU

Pop in to one of our Hubs in  
Dublin, Cork, Limerick and  
Galway, [call us on 1800 51 52 53](tel:1800515253)  
or [talk to](#) your Financial Advisor  
today.