



# **MiFID** **Products** **Terms &** **Conditions**

**THE BANK OF YOU**

This is an important legal document. You should read it carefully and keep it for future reference.



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# PART A - Introduction

## 1. ABOUT US

- 1.1 KBC Bank Ireland plc ("KBCI") has been proudly serving our customers in Ireland for over 40 years. Employing over 1,000 staff across Ireland, our head office is situated at Sandwith St., Dublin 2.
- 1.2 As one of Ireland's leading banks and a member of one of Europe's largest banking groups, KBCI provides personal and corporate banking services to our customers throughout Ireland and abroad.
- 1.3 We provide a range of products and services to personal customers including; current accounts, deposit accounts, investment products, homeloans, home insurance, life assurance, credit cards, personal loans and a range of deposit and foreign exchange products for corporate clients.
- 1.4 Our retail products and services are distributed through our nationwide Hub network, with locations in Dublin, Cork, Limerick, Galway, Kildare, Kilkenny, Waterford and Wicklow, our website KBC.ie and our online/mobile banking platforms with corporate deposit and FX products distributed via our Head Office in Sandwith Street, Dublin 2.
- 1.5 KBC Bank Ireland plc is a public limited company registered in the Companies Registration Office under Company Number 40537. Our registered office is at Sandwith Street, Dublin 2. We are a wholly owned subsidiary of KBC Bank N.V. Our VAT number is 8F86824G.
- 1.6 KBCI is a licensed bank regulated by the Central Bank of Ireland of PO Box 559, Dame Street, Dublin 2.

## 2. DEFINITIONS

In these Terms and Conditions

**Associated Company** means a company which is a member of the Group

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

**Confirmation** means the correspondence issued by KBCI on the completion of a Transaction which sets out the details of the particular Transaction including where applicable the amount, Execution Venue, maturity date, currency and the interest rate in respect of the Transaction.

**Consumer** shall have the meaning ascribed in the Consumer Protection Code 2012.

**Common Reporting Standard (CRS)** means the single global standard on Automatic Exchange of Information (AEOI) under which, participating jurisdictions will be required to exchange certain information held by financial institutions regarding their non tax resident customers. Legislation to implement the CRS in Ireland was introduced in Finance Act 2014 by inserting Section 891F of the Taxes Consolidation Act 1997, and Regulations (Statutory Instrument 583 of 2015) came into effect on 31 December 2015;

**Data Protection Documents** means the Data Protection Notice and the Privacy Statement as amended, extended or replaced from time to time for such reasons as KBC deems reasonable and/or necessary;

**Data Protection Law** means all legislation and regulations relating to the processing and protection of personal data including (without limitation) the Data Protection Acts 1988 and 2003, the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, the EU Data Protection Directive 95/46/EC, the Data Protection (Registration) Regulations 2001, the Data Protection Act 1988 (Section 16(1)) Regulations 2007, the General Data Protection Regulation (EU) 2016/679, and the Personal Data Security Breach Code of Practice issued by the Data Protection Commissioner relating to the processing of personal data or privacy or any amendments, and re-enactments thereof;

**Data Protection Notice** means the data protection notice produced by us to explain the terms on which any personal data received in connection with your Accounts will be collected and used by us or on our instruction and the mechanisms by which you can exercise your rights pursuant to Data Protection Law. The Data Protection Notice may be accessed online at [www.KBC.ie](http://www.KBC.ie).

**Durable Medium** means any instrument that enables the recipient to store information addressed personally to the recipient in a way that renders it accessible for future reference for a period of time adequate for the purposes of the information and which allows the unchanged reproduction of the information stored.

**Eligible Counterparty** means a customer who meets the criteria set out in Clause 7.11

**EMIR** means Regulation (EU) No 548/2012 of the European Parliament and of the Council of 4th July 2012 on OTC derivatives, central counterparties and trade repositories.

**Execution Policy** means the policy that KBCI has in place from time to time in accordance with the Regulations to ensure the best possible result when executing orders on behalf of customers and which is available on our website at [www.kbc.ie](http://www.kbc.ie).

**FATCA** means the Foreign Account Tax Compliance Act a U.S. piece of legislation whose overall aim is to combat tax evasion by improving the exchange of information between tax authorities in relation to U.S. citizens and residents who hold assets offshore. In 2012, the Irish Government signed an Intergovernmental Agreement with the U.S. in relation to the implementation of FATCA in Ireland. This Agreement provides for a bilateral and reciprocal exchange of information with the U.S. in relation to accounts held in Irish financial institutions by U.S. persons, and accounts held in U.S. financial institutions by Irish tax residents.

The legislation to implement the Intergovernmental Agreement - Section 891E, Taxes Consolidation Act 1997 - was inserted by Section 32, Finance Act 2013 and the Regulations (Statutory Instrument 292 of 2014) came into force from 1 July 2014;

**Financial Instrument** means money market instruments, units in collective investment undertakings (UCITS), options, futures, swaps, forward rate agreements, European Commercial Paper and any other derivative contracts.

**Group** means KBC Group NV and its subsidiaries.

**Investment(s)** means the product(s) listed in Appendix 1 in which the customer chooses to invest.

**Investment Advice** shall have the meaning ascribed in the Regulations.

**ISDA Agreement** means the standard form master agreement published by the International Swaps and Derivatives Association as may be amended or varied from time to time.

**MFT** means a multilateral trading facility.

**Opt Down** means requesting a change in a client category which would result in a higher level of protection under the regulations. Opting down is possible for Eligible Counterparties and Professional Clients.

**Opt Up** means requesting a change in a client category which would result in a reduced level of protection under the Regulations.

**Professional Client** means a customer who meets the criteria set out in clause 7.1.2

**Retail Client** means a customer who meets the criteria set out in clause 7.1.3

**Regulations** means the European Communities (Markets in Financial Instruments) Regulations 2007 as may be amended from time to time.

**Services** means any of the facilities listed in clause 5 of these Terms and Conditions including the ancillary services.

**Trading Venue** means a regulated market, multilateral trading facility (MTF), a systemic internaliser, a market maker, a transfer agent or an entity that performs a similar function in a non European Economic Area country.

**Transaction** means any transaction carried out in an Investment.

**Terms and Conditions** means these terms and conditions as may be amended from time to time.

**We, Our, Us, KBCI or the Bank** means KBC Bank Ireland plc and its permitted successors and assigns and where appropriate includes any person authorised to act on our behalf.

**You or Yours** means the customer and includes the customer's representatives and successors and, where appropriate includes any person authorised to act on your behalf.

### 3. INTERPRETATION

3.1 In these Terms and Conditions, unless the context otherwise requires, a reference to:-

- 3.1.1 clauses and schedules are to clauses of, and schedules to these Terms and Conditions 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;
- 3.1.2 the singular include the plural and references to the plural include the singular; and 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;
- 3.1.3 a "person" shall be construed so as to include any individual firm, company or corporate body, government, state or agency of the state, local or municipal authority, or government body or any joint venture, association, pension fund, trust, partnership or limited partnership (whether or not having separate legal personality);
- 3.1.4 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);
- 3.1.5 a "day" (including within the phrase "Business Day") shall mean a period of 24 hours running from midnight to midnight and references to a "month" shall mean a calendar month;
- 3.1.6 dates which do not fall on a Business Day shall be construed as references to the immediately subsequent Business Day. However, if the next Business Day falls within the next calendar month, then the Business Day shall be construed to mean the preceding Business Day.
- 3.1.7 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
- 3.1.8 any party include its successors and permitted assigns.

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

3.3 In these Terms and Conditions, we may use examples to illustrate or explain something covered by a clause however the clause and the meaning thereof is not limited to those examples.

#### **4. TERMS AND CONDITIONS**

- 4.1 These Terms and Conditions constitute the main terms and conditions applicable to the Services but they do not cover every possible situation that may arise. Where they do not cover a particular situation normal banking law and practice will apply.
- 4.2 You shall (unless otherwise stated) be deemed to have accepted these Terms and Conditions when you begin or continue to undertake business with us following receipt of the Terms and Conditions.
- 4.3 In addition to the Terms and Conditions, the provision of the Services is also subject to all mandates, and other signing instructions that you give us, directly or where permitted through a third party in respect of the Services from time to time, and all application forms and instruction forms completed by you in connection with the Services all of which shall form part of our agreement with you in connection with the Services. The provision of the Services shall also be governed by banking law and practice generally.
- 4.4 These Terms and Conditions are in addition to and not in substitution of any terms and conditions that have been entered into by you in respect of any other accounts or products that you may hold with us.
- 4.5 You may request a copy of these Terms and Conditions and your application at any time. A copy may be provided on paper or another Durable Medium (such as an email addressed to you). Once the Services are terminated we shall only retain copies of the application for so long as we are required to do so by our legislative and/or regulatory obligations.
- 4.6 These Terms and Conditions are effective from 14th May 2018.

## **PART B - Terms and Conditions applicable to the Service**

#### **5. NATURE OF THE SERVICE**

- 5.1 The services we may provide you under these Terms and Conditions are treasury investment services which may include the following:-
- Reception and transmission of orders in relation to one or more Financial Instruments;
  - Execution of orders on behalf of clients;
  - Dealings on own account;
  - Investment advice;
  - Underwriting of Financial Instruments and/or placing of Financial Instruments on a firm commitment basis;
  - Placing of Financial instruments without a firm commitment basis.
- 5.2 In addition to the services referred to in Clause 5.1 we may also offer the following ancillary services:-
- Safekeeping and administration of Financial Instruments for the account of clients, including custodianship and related services such as cash/collateral management;
  - Granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the Bank is granting the credit or loan and is involved in the transaction;
  - Advice to undertakings on capital structure, industry strategy and related matters and advice and services relating to mergers and purchase of undertakings;
  - Foreign exchange services where these are connected to the provision of investment services
  - Investment research and financial analysis or other forms of general recommendations relating to transactions in financial instruments
  - Services relating to underwriting;
  - Investment services and activities as well as ancillary services related to the underlying of certain derivatives- where these are connected to the provision of investment or ancillary services.
- 5.3 We may deal with you as principal or agent in relation to any of the Services in accordance with these Terms and Conditions.
- 5.4 We do not offer Services to customers who are Consumers.
- 5.5 Where we deal with you as a dealer on a capital market programme(s), the terms of the relevant capital market programme shall apply and where we act in any other capacity in connection with a capital market programme these Terms and Conditions shall apply to such an extent as we provide any Services to you in relation to such a programme.

#### **6. COMMUNICATION**

- 6.1 Subject to applicable law, we may contact you by post, phone, text message, fax, email, online or in person.
- 6.2 All correspondence will be sent to the address last indicated in writing by you or failing that your place of residence or where applicable your registered office. This address may be changed on your written instruction. We shall not be liable for any loss, damage or expense sustained if you fail to notify us of a change of address.

- 6.3 We may send certain notices by electronic means as indicated below:-
- all payments and confirmations will be sent automatically via S.W.I.F.T. (Society for Worldwide International Financial Telecommunications) to Eligible counterparties, who have a S.W.I.F.T. BIC (Bank Identifier Code);
  - confirmations will be sent automatically via S.W.I.F.T. to counterparties who wish to receive confirmations via Misys, FXall or GTSS (Global Trading Support Services);
  - KBCI will follow up with clients in relation to queries, trade valuations, ISDA Agreements, certificate of interest queries or audit queries made via e-mail.
- 6.4 We reserve the right to send a message or notice that may be sent by ordinary post by telefax or electronic mail if you have provided or use a telefax number or e-mail address. We may also send a message or notice that must be sent by registered letter via telefax or electronic mail if receipt thereof is acknowledged on behalf of the addressee.
- 6.5 Electronic Communications and Phone Calls
- 6.5.1 Your information may be processed, recorded and retained by us in electronic form. You agree, pursuant to the Electronic Commerce Act 2000, that KBCI may communicate with you electronically in relation to your Account(s), and that it may rely on such electronic communications, records, originals and documents in any dealing with you. 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.
- 6.5.2 We may also monitor and record telephone calls made to and from us for fraud and crime prevention, to assist in improving customer services, to evidence instructions or to prevent or resolve disputes. You hereby consent and agree, pursuant to the Electronic Commerce Act 2000, to any such recording or transcript thereof being used in evidence in any litigation, arbitration, or other dispute proceedings.
- 6.6 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 KBCI ('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 KBCI can act on such electronic communications. We shall not be required to inquire further into the authenticity and genuineness of the person purporting to communicate the instructions and shall be entitled to presume that the person we are dealing with is who they purport to be (subject to KBCI acting reasonably and in good faith) and that they are duly authorised to give such 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 such instructions to be furnished in writing duly signed by authorised signatories.
- 6.7 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.
- 6.8 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.
- 6.9 All correspondence with us should be in writing, and sent via post, email to [fundingteam@kbc.ie](mailto:fundingteam@kbc.ie) or telefax to 01-6646897. Certain notices may be received electronically as indicated below:-
- eligible counterparties, who have a S.W.I.F.T. BIC Code, may make payments and send confirmations to KBCI by S.W.I.F.T.;
  - counterparties who confirm via Misys; FXall or GTSS may be sent to KBCI via S.W.I.F.T.;
  - clients may follow up on queries; trade valuations, ISDA Agreements, certificate of interest requests or audit requests via e-mail.
- 6.10 These Terms and Conditions and all information which we supply to you and all other communications with you (either pre or post formation of an agreement with you) will be in English.

## 7. CATEGORISATION OF CUSTOMERS

- 7.1 Customers who enter into the Services shall be classified into one of the following categories:-

7.1.1 Eligible Counterparty;

An eligible counterparty is a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. The following transactions or services can be executed without complying with the rules on conduct of business, best execution or client order handling.

- (1) execution of orders, and related ancillary service;
- (2) dealing on own account, and related ancillary service;
- (3) reception and transmission of orders, and related ancillary services;

Eligible counterparties include:

- investment firms,
- credit institutions,
- insurance companies,
- undertakings for the collective investment in transferable securities,
- pension funds and their management companies,
- undertakings exempted under Regulation 5(1)(j) and (k) from the application of the Regulations,
- national governments and their corresponding offices including public bodies that deal with public debt, central banks and supranational organisations, and
- EU entities recognised as eligible counterparties by the law of their home State.

7.1.2 Professional Client;

A professional client is a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. In order to be considered a professional client, the client must comply with the following criteria:

- (1) Entities which are required to be authorised or regulated to operate in the financial markets (with the exception of institutions noted under the definition of "eligible counterparty").
- (2) Large undertakings meeting two of the following size requirements on a company basis:
  - balance sheet total: €20,000,000
  - net turnover: €40,000,000
  - own funds: €2,000,000
- (3) Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions (with the exception of institutions noted under the definition of "eligible counterparty").

7.1.3 Retail Client;

A retail client is any client who is not an Eligible Counterparty or a Professional Client, and is not a Consumer

7.1.4 The classification will depend on their level of knowledge and understanding of the various investment products and are defined in the Regulations. You will be notified, in writing, of your client category.

7.2 A customer who is considered an Eligible Counterparty has the right to Opt-Down. This means that you can request a higher level of protection, namely protection that is offered to a Professional Client. Unless the Eligible Counterparty expressly requests treatment as a Retail Client, the customer's request will be considered as a request to be treated as a Professional Client. The Eligible Counterparty may request a general Opt-Down, covering all Services conducted with KBCI or on a "product category basis" in respect of certain products only.

7.3 A customer who is categorised as a Professional Client has the right to opt-down to a Retail Client categorisation. This means that you can request a higher level of protection, namely protection that is offered to a Retail Client. The Professional Client may request a general Opt-Down, covering all Services conducted with KBCI or on a "product category basis" in respect of certain products only.

7.4 It is the sole responsibility of the customer to ask in writing for this higher level of protection when the customer is unable to properly assess or manage the risks in connection with the Services.

7.5 A Retail Client has the right to request a lower level of protection as a Professional Client in respect of all its business with KBCI or on a "product category basis" in respect of certain products only. Retail Clients, however, making such a request must satisfy at least two of the following criteria:-

- During each of the previous 4 quarters, the customer must have carried out an average of 10 transactions of a significant size on the market he envisages in his request;
- The size of the customer's Financial Instrument portfolio (including cash deposits and Financial instruments but excluding real estate) must exceed €500,000;
- The customer works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions and services he envisages in his request.

On receiving such a request from a Retail Client who meets these criteria, we will request the client to complete a "Request for classification as a professional client" form and once received we may, but are not obliged to accept categorisation as a Professional client for these services, products and transactions.

All customers requesting an opt-up to Professional Client must agree that they are aware of the risks involved in receiving a lower level of protection and accept these risks by signing an "Opt up to a Professional Client Agreement" which will be issued to the customer if we agree to the request.

7.6 Eligible Counterparties and Professional Clients have an obligation to inform KBCI of any change that could affect their categorisation. If no such information is received from the customer, KBCI will consider that the customer meets the conditions to be categorised as an Eligible Counterparty or Professional Client.



## 8. INVESTMENT ADVICE

- 8.1 We provide Investment Advice on a non-independent basis meaning that we do not carry out a full market analysis when determining whether a Financial Instrument is suitable for you.
- 8.2 If you have been categorised as an Eligible Counterparty we do not assess whether an investment is appropriate or suitable for you and do not provide you with Investment Advice. We shall deal with Eligible Counterparties on an execution only basis.
- 8.3 In determining whether a product is suitable we will consider the following:-
- (i) *Financial Situation*  
KBCI assesses your financial capacity based on a review of, but not limited to, your published financial statements and other financial commitments. A credit line may be necessary for certain MiFID products
  - (ii) *Knowledge and Experience*  
We are required to assess your knowledge and experience in relation to MiFID products. To the extent appropriate having regard to the nature of the Financial Instrument(s) we will therefore ask you about the types of MiFID products and Financial Instruments with which you are familiar, the volume and frequency of your transactions and how long you have been active in the products. It will also be necessary to get details of your level of education and your profession or former profession.
  - (iii) *Investment Objectives*  
Our assessment takes into account your specific requirements regarding

**Risk Management:** hedging the currency and interest rate risks which the Client is exposed to within the framework of its economic activities and actively managing these risks.

**Treasury / Fund Management:** short-, medium- or long-term investing of available liquid assets / excess liquidity with the objective of obtaining an additional return on these liquid assets.

- 8.4 If you have been categorised as a Professional Client or a Retail Client we will assess the suitability of a product for you. In order to carry out this assessment we will require information from you. This information is essential so we can provide Investment Advice, when sought by you and determine if a product is suitable for your needs. We are entitled to rely on this information and assume that it is true, accurate and up to date. If you do not provide the required information we will not be able to provide Investment Advice, when sought by you.
- 8.5 On the basis of this suitability assessment we will provide you with Investment Advice, if requested. This advice will be set out in a suitability statement. We will not recommend that a specific product is most suitable for you but rather indicate the category of products that best meet your needs. We will require you to sign and return the suitability statement to us before we will permit you to invest in any of the suitable category of products.
- 8.6 We will permit you to carry out Transactions in respect of the categories of products which we have deemed suitable. We shall be entitled to assume that the category of products remain suitable for your needs unless you notify us of any change in your circumstances which would impact the suitability of the products. It is your responsibility to notify us of any changes in your circumstances and we are not obliged to make any enquiries or carry out any further assessments to ensure the ongoing suitability of the products.
- 8.7 If you subsequently wish to invest in other product categories for which your suitability was not assessed or were not deemed suitable we will carry out a further suitability assessment at that time.
- 8.8 Where we have determined that a product category is not appropriate for your needs or in your best interest and you still wish to proceed to invest in the product, we may at our discretion permit the Investment on the basis that:-
- you are aware it may not be appropriate for you; and
  - you are accepting the risks that are not within your knowledge and experience and which you may not be qualified to assess, monitor, control and/or mitigate.

Alternatively we may refuse to permit the Investment.

## 9. RISK WARNING

- 9.1 Most forms of investment involve some risk as to security of capital, certainty of income or marketability. The nature and risks associated with particular products are set out in Appendix 1 of these Terms and Conditions.
- 9.2 We strongly recommend that you seek independent investment and financial advice before availing of any Services and or entering into any Transaction.

## 10. RELATIONSHIP WITH MASTER AGREEMENTS

We may require you to enter into additional documentation in respect of a Transaction such as an ISDA Master Agreement or other market standard netting agreement, mandate or facility document. Where there are any inconsistencies between the terms of these documents and the Terms and Conditions, the terms of the documents will prevail.

## 11. BASIS OF DEALING

- 11.1 Where we execute the Transaction, you will receive a Confirmation of the Transaction no later than the first Business Day following execution. When a third party executes a Transaction on our behalf, you will receive a Confirmation of the

Transaction no later than the first Business Day following the day of receipt by us of the Transaction confirmation from the third party.

- 11.1.1 On receipt of your Confirmation you should examine it carefully and promptly report any errors or omissions to us. A Confirmation in the absence of manifest error and until the contrary is proved be conclusive for the purposes of the agreement between us.
- 11.1.2 Confirmations may be generated electronically and may not contain our signature and this shall not impact the binding nature of the Confirmation and/or Transaction. Our failure to generate a Confirmation shall not impact the efficacy, validity or enforceability of the Transaction
- 11.2 You are entitled to request information on the status of the Transaction at any time.
- 11.3 It is your responsibility, at the time of trading with us, to have sufficient funds to settle the Transaction. Prior to executing the Transaction, we will have advised you of our standard settlement instructions and you will also have advised us of your settlement details. Both sets of settlement instructions will be confirmed, in writing, on the Confirmation.
- 11.4 You shall promptly deliver such funds to us in accordance with the settlement instructions and if you fail to do so we may provide such funds as are required to fulfil your obligations in connection with the Transaction. You will be liable to repay such funds to us on demand and indemnify us for any costs, fees and expenses incurred by us in providing the funds. We may also debit these funds and costs from your account(s) held with us.
- 11.5 We may, but shall not be obliged to accept instructions to enter into a Transaction. If we decline to accept an instruction or enter into a Transaction we shall not be obliged to give a reason but will notify you of our decision promptly. You can not revoke an instruction if we have already acted upon it.
- 11.6 If you wish to terminate a Transaction before its maturity date a breakage cost may apply. This breakage cost will depend on the time remaining on the Transaction and the relevant market rate available to us on the date of early termination. Before terminating any Transaction you should discuss the matter with us and we will provide an estimate of any breakage costs that may apply.

## 12. BEST EXECUTION POLICY

- 12.1 In accordance with the Regulations we will take sufficient steps to obtain the best possible result when executing orders on your behalf.
- 12.2 Various factors (such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order) may affect the execution of your order. In order to determine the relative importance of the different factors, KBCI takes into account the following criteria:
- your characteristics, including your client categorisation;
  - the characteristics and objectives of your order;
  - the specific financial instrument your order concerns;
  - the characteristics of the Trading Venues to which that order can be directed.
- 12.3 If you are a Retail Client in most cases the best result will be determined in terms of the total price of the financial instrument and all costs in relation to the execution of your order. For Professional Clients the primary factors of price and cost will merit a high relative importance in obtaining the best possible result for your order.
- 12.4 There can however be circumstances where other factors may be more important for the execution of orders on your behalf. This might for example be the case for orders above standard market size and orders in illiquid instruments. Therefore we, may, at our own discretion, execute orders based on other factors that will, according to us, result in acting in your best interest.
- 12.5 We operate in the over-the-counter (OTC) market. We do not use Trading Venues (e.g. a regulated market or MTF). However, at times we may decide to use a Trading venue specific to your Instruction. If this does occur, we will inform you of the Trading Venue which we are using in order to fulfil our obligation to be consistent at all times while taking sufficient steps to obtain the best possible result in executing your instructions. We will at all times seek your express consent and agreement if we consider executing an order outside a regulated market or a multilateral trading facility (MTF).
- 12.6 We will execute the order in accordance with our Execution Policy by using one of the following methods or a combination thereof. It is the general policy of KBCI to execute all orders in chronological sequence based on the time from when they are received.

We define an order as an instruction to execute a trade at a rate nominated by the client that is not, at the time of the instruction, within current market parameters.

When you place an order with us we may execute it against our own proprietary position or decide to hedge this position or a portion thereof in the market place. In other instances, we may decide not to hedge and will instead keep the risk of the transaction on our own books.

The price which is offered to you is based on a number of factors including what it costs us to hedge this position either externally or internally. The relative importance which we place on the various factors set out in clause 12.2 above depends on whether you are a Retail or Professional Client and the type of Financial Instrument to which your Instruction relates.

The order can, in the case of Units in Collective Investment Undertakings, be transmitted to a transfer agent.

These principles or a part of these principles may not be applied in the case where we receive a specific instruction from you (see below).

- 12.7 Where you give specific instructions relating to the execution of an order, for example you indicate an execution venue, we will execute that order in accordance with this specific instruction and will be deemed to have taken all reasonable steps to provide the best execution of that order in respect of that specific instruction.

**WARNING: a specific instruction from you may prevent KBCI from taking the steps that it has designed to obtain the best possible result for the execution of that/(those) order(s). Where KBCI cannot get the best possible result for you due to your specific instruction, you will be informed of that fact as soon as possible. Should you choose to then proceed with the instruction consent must be obtained from you to proceed despite the warning that KBCI will be unable to achieve the best result for the client.**

- 12.8 For each class of financial instruments, KBCI has defined the key execution factors that will be taken into account when executing orders and the information and the execution venues that best suit its requirements.
- 12.9 The principles described in the Execution Policy do not restrict KBCI to act otherwise if it considers that in acting so the order might not be executed in a way that obtains the best possible result for you.
- 12.10 Provided your prior express consent has been obtained, KBCI or its brokers have the option to internalise orders by acting as a counterparty to your order rather than executing the order on a regulated market on a MTF.
- 12.11 In the case of emergency, such as a disruption of the execution system, we may not be in the position to execute the order according to the described method. In these exceptional circumstances, we will endeavour to execute the orders in the most advantageous way in the prevailing circumstances.
- 12.12 We will, in general, transmit orders in bonds and money market instruments to the relevant market on the condition that this venue provides reasonably significant liquidity in the instrument.
- 12.13 In cases where we conclude that no Execution Venue meets the internally defined criteria of sufficient liquidity, the order will be executed outside a regulated market or an MTF. The determining factors for the execution, price and costs, will be respected. KBCI may for the pricing rely on internal models that are subject to internal verification.
- 12.14 We will monitor the effectiveness of our order execution arrangements and our Execution Policy in order to identify and, where appropriate, correct any deficiencies. In particular, we shall assess, on a regular basis, whether the Execution Venues included in the Execution Policy provide for the best possible result for our clients, or whether changes to the execution arrangements need to be made.
- 12.15 We shall notify you of any material changes to our order execution arrangements or Execution Policy.
- 12.16 Your express consent will be requested should we internalise orders or execute orders outside a regulated market in the circumstances described above.
- 12.17 You are entitled to request KBCI to demonstrate that we have executed your order in accordance with our Execution Policy.
- 12.18 The full Execution Policy is available on our website at [www.kbc.ie](http://www.kbc.ie) and please refer to Appendix 2 where there is a list of Execution Venues used by KBC Group.

### 13. FEES AND CHARGES

- 13.1 We may charge a fee for Services provided. The fees, if any, are set out in our MiFID Product Pricing Grid which is available at <https://www.kbc.ie/corporate-treasury/markets-in-financial-instruments-directive> and these will be agreed with you in advance prior to the provision of the Service in respect of which the fee is charged. The fee will be payable in amounts and at times as will be agreed between us.
- 13.2 In addition to any fees and charges, there is a cost in respect of the Transaction. The maximum cost in respect of each particular Transaction type is set out in our MiFID Product Pricing Grid which is available at <https://www.kbc.ie/corporate-treasury/markets-in-financial-instruments-directive>
- 13.3 All payments will be in cleared funds, in Euro (unless otherwise stipulated by us) to an account designated by us. All payments shall be made without deduction, withholding or set-off.
- 13.4 If you fail to make a payment when due, we reserve the right to charge interest on the outstanding amount at a rate sufficient to compensate us for the cost of funding the outstanding amount.
- 13.5 Should we receive or recover (whether following judgment or otherwise) any amount in a currency other than the currency in which it was payable, you will indemnify us against any loss, damage, costs or expense arising in connection with us receiving such amount in a currency other than that in which it was due to be paid.
- 13.6 We may receive commission or other remuneration from, or share fees/charges with, an Associated Company or other third party from time to time in connection with Transactions carried out on your behalf. In the event we receive such compensation we will notify you.

#### 14. SAFE CUSTODY AND CLIENT MONIES

14.1 We will hold assets /Financial Instruments (such as European Commercial Paper) on your behalf and to your order in a pooled account (i.e. an account which contains assets of other clients and/or our own assets). In accordance with the Regulations such accounts are designated as client asset accounts.

Accordingly as per the MIFID (client asset requirements), we confirm the following:-

(a) all client assets are held by us as custodian and we confirm that we will not combine the client asset accounts or exercise any right of set-off or counterclaim against assets or funds in that account in respect of any sum owed to it by you or any other person;

(b) we will designate the client asset account on our internal systems in such a way as to make it clear that your Financial Instruments do not belong to us and are subject to the provisions of the Regulations;

(c) We will ensure that any such Client Asset Account is:

- Reconciled to our records on a regular basis.
- accounting segregation between the Bank and client assets is maintained.

We confirm that we will act as custodian of the client assets/Financial Instruments on your behalf and will accept and act on instructions to carry out transactions on your behalf in relation to the client assets/Financial Instruments if given in accordance with your mandate.

14.2 We may hold Financial Instruments with other banks or custodians upon terms and conditions that are customary for such entities. For KBCI's own holdings separate accounts are generally held with a custodian. KBCI must select a custodian that is recognised by its competent authority.

a. Your Financial Instruments held by us cannot be used by us to enter into securities financing transactions or for our own account or another client's account, unless you have agreed for us to do so.

b. We, or a third party, where Financial Instruments are deposited, may have a security interest or lien over your Financial Instruments, or may hold a right of set-off in relation to those Financial Instruments.

14.3 We may hold your assets with third party entities that are situated outside the Republic of Ireland. The legal and regulatory regime applying to any such entity, may be different to that of the Republic of Ireland and in the event of a default of such an institution those assets may be treated differently from the position that would apply if the assets were held in Ireland.

**By accepting these Terms & Conditions, you consent to the Bank holding your assets (financial instruments) outside of Ireland.**

**There is a risk, in the event of default of such an entity these assets may be treated differently from the position which would apply if these assets were held in the Republic of Ireland.**

14.4 We will take all reasonable measures to ensure proper treatment of your assets. Nevertheless, should you have concerns about the implications of passing your assets outside the Republic of Ireland we recommend that you take independent legal advice.

14.5 As at the date of these Terms and Conditions we hold our securities Client Asset Account with Deutsche Bank AG London.

**You hereby consent, by accepting these Terms & Conditions to the holding of your client assets in a pooled Account as described above.**

14.6 We shall use reasonable skill and care in the performance of our duties as custodian under these Terms and Conditions but we shall not be liable for any claims, loss, damage, costs or expenses suffered or incurred by you in connection with the custody arrangements unless they arise from our fraud, gross negligence or wilful misconduct.

#### 15. REPORTING OBLIGATION

15.1 Where we hold client assets as set in clause 14 above we shall send you on a quarterly basis a statement in a Durable Medium which shall set out details of your Financial Instruments.

15.2 On receipt of your confirmations and statements you should examine them carefully and promptly report any disputed transactions, errors or omissions to us.

15.3 In accordance with the Regulations we shall report details of all Transactions to the Central Bank of Ireland. A list of such transactions is available by contacting us at [treasurysupport@kbc.ie](mailto:treasurysupport@kbc.ie)

#### 16. CONFLICT OF INTEREST POLICY

16.1 Conflicts may arise where KBCI or an Associated Company:

- is likely to make a financial gain or avoid a financial loss, at the expense of the customer;
- is interested in the outcome of a service provided to the customer, which is distinct from the customer's

- interest in that outcome;
  - has a financial or other incentive to favour the interest of another customer or group of customers over the interest of the customer;
  - carries on the same business as the customer;
  - receives an Inducement from a person other than the customer in relation to a service provided to the customer, other than the standard commission or fee for that service.
- 16.2 We have put in place a Conflicts of Interest Policy to protect the interest of our clients. This is to ensure that all parties are treated honestly and fairly and in accordance with the best interests of customers.
- 16.3 We will take all reasonable steps to manage any conflicts of interest. If these reasonable measures for the mitigation of conflicts of interest are not sufficient to ensure that the risk of damage to the interests of a customer will be prevented, the general nature and / or source of the conflict will be disclosed to the customer, before undertaking business with the customer. These measures include the following:
- Information barriers/chinese walls;
  - Establishment and maintenance of a confidentiality list;
  - Implementation of separate supervision and reporting lines;
  - Implementation of a remuneration policy;
  - Implementation of measures to prevent undue influence;
  - Implementation of measures to prevent certain combinations of activities;
  - Disclosure of conflicts to customers;
  - Implementation of a procedure for handling unresolved conflict of interest.
- 16.4 In the provision of investment and ancillary services to our customers, we may provide to third parties or be provided by third parties with monetary and/or non-monetary benefits (inducements). We ensure, in part through our Conflicts of Interest Policy, that such inducements enhance the quality of the relevant service to the customer and do not impair compliance with its duty to act in the best interests of its customers. Other fees or commissions may relate to financial analyses (non-monetary benefits) that we may use as a basis for its investment advice or inducements (paid or received) for acquiring business. Complete information on an inducement is available at a customer's request, including the nature and amount or method of calculation of the inducement from KBCI.
- 16.5 The Conflicts of Interest Policy and related policies and procedures are subject to our standard monitoring and review processes.
- 16.6 On request, you can obtain further information on our Conflicts of Interest Policy by contacting us at [fundingteam@kbc.ie](mailto:fundingteam@kbc.ie).

## 17. REPRESENTATIONS AND WARRANTIES

- 17.1 You hereby warrant and represent to KBCI that:-
- 17.1.1 you are duly incorporated and validly existing under the laws of your jurisdiction of incorporation and have all requisite capacity, power, authority, licenses, permits and consents including without limitation under your memorandum and articles of association or constitution, to avail of the Services and enter into Transactions;
- 17.1.2 you are availing of the Services and entering into Transactions in the course of your trade, business or profession and that you are 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 of their trade, business or profession) and that you are not entitled to the protection afforded to consumers by them.
- 17.1.3 availing of the Services and the entering into Transactions and the performance of this agreement are within your corporate powers, have been authorised by all necessary corporate actions, does not contravene any law or regulation, your constitutional documents or contractual restrictions binding on you and constitutes legal valid and binding obligations on you enforceable in accordance with their terms;
- 17.1.4 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 you;
- 17.1.5 all information which you provide or have provided to us is true, accurate and complete and is not misleading in any material respect;
- 17.1.6 you are willing to accept the risk of entering into these Transactions and are able to financially sustain a total loss of funds resulting from the Transactions that you enter into;
- 17.1.7 unless you have advised us to contrary, you are not a financial counterparty for the purposes of EMIR; and
- 17.1.8 you are the sole legal and beneficial owner of the Investments which you make by entering the Transactions and the Investments are held free from any encumbrance or security interest.
- 17.2 These warranties are deemed repeated by you on the date of entering into any Transaction.

## 18. TERMINATION

- 18.1 We reserve the right to immediately close out any unsettled Transactions and terminate this agreement in the event of any of the following:-
- 18.1.1 you cease trading or carrying on business; or
  - 18.1.2 any representation, warranty or statement made by you to us is or becomes, in our opinion, untrue in any material respect or any documentation or information supplied to us by you is in our opinion false; or
  - 18.1.3 you commit any serious or repeated breach of these Terms and Conditions; or
  - 18.1.4 you are in breach of any other agreement with us; or
  - 18.1.5 it becomes unlawful for you to continue to avail of the Services and/or enter into the Transactions; or
  - 18.1.6 we must do so to comply with any law, regulation or direction from a relevant competent authority or competent court; or
  - 18.1.7 you enter into any arrangement with your creditors; or
  - 18.1.8 for any reason this agreement or the Terms and Conditions becomes unenforceable or void; or
  - 18.1.9 if a receiver, examiner, administrator or other similar officer is appointed over you and/or any of your assets;
  - 18.1.10 if a petition is presented or an order is made or a resolution is proposed or passed for your winding up; or
  - 18.1.11 if you are unable to pay your debts within the meaning of Section 570 of the Companies Act 2014 or any re-enactment or amendment thereto; or
  - 18.1.12 if a distress, sequestration or execution is levied upon or effected against any of your property
  - 18.1.13 if any judgement or order is made against you and is not wholly stayed or complied within a period of 7 days from the date of judgement or order.
- 18.2 We do not have to notify you prior to closing out any unsettled transactions or terminating the agreement for the reasons set out in Clause 18.1 above.
- 18.3 We will not be liable to you or any third party for any loss, damage or expense incurred in connection with the closing out of unsettled transactions and/or terminating the agreement for the reasons set out in Clause 18.1 above.
- 18.4 Either of us may terminate this agreement by giving five business days notice to the other. Such notice shall be served in accordance with clause 24 below.
- 18.5 In the event that this agreement is terminated or unsettled transactions are closed out, you will be liable for all costs, fees, expenses, charges and liabilities accrued and incurred up to the date of termination or close out including any costs, fees, expenses, charges and liabilities reasonably incurred in the termination of the agreement and/or close out of the unsettled transactions. Any calculation of such costs, fees, charges and expenses shall if applicable take account of any netting provisions contained in any relevant transaction documentation (including an ISDA Master Agreement).
- 18.6 Any termination will be without prejudice to any legal rights or obligations that may have already arisen and any Transactions already initiated.

## PART C - General Provisions

### 19. SET-OFF

- 19.1 We may at any time and from time to time, as a continuous right, without notice or demand:-
- 19.1.1 apply in or towards satisfaction of any of your obligations to us (whether present or future, whether actual or contingent, whether incurred by you alone or with others or as principal or surety and whether or not then due) any monies (whether or not then due and irrespective of the currency of same) which we hold on your behalf (other than in a client asset account); and
  - 19.1.2 combine or consolidate all or any of your accounts (other than a client asset account) including the Account (whether or not then due and irrespective of the respective currencies thereof or the location of our office(s) where they are maintained and whether maintained in your name or our name).
- 19.2 Where such application or combination requires the conversion of one currency into another, such conversion shall be calculated at a market rate of exchange customarily utilised by us in the usual course of our business (as conclusively determined by us).
- 19.3 Our rights under this Clause 19 are without prejudice to, and in addition to, any right of set-off, combination, consolidation or other similar right to which we may at any time be otherwise entitled (whether by operation of law, contract or otherwise) in any jurisdiction.

### 20. LIABILITY & INDEMNITY

- 20.1 Subject to Clause 28 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 provision, operation and management of the Services or the carrying

out of transactions or instructions received in respect of the Services unless such loss, damage or liability is caused by our fraud, wilful default or gross negligence.

- 20.2 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.
- 20.3 We shall not be liable or responsible for loss, damage or expense you may incur arising from or in connection with our reasonable delay in dealing with your transaction or carrying out your instructions or any change in market conditions.

## **21. CONFIDENTIALITY**

- 21.1 We observe a duty of confidentiality about your financial affairs. We shall be entitled and you hereby authorise us (without the need for any further consent from or notice to you) to provide any information concerning you to:-
- 21.1.1 any (or to any proposed) assignee, transferee, mortgagee, chargee, novatee, grantee, other disposee or successor of KBCI and their respective officers, employees, agents and advisers;
  - 21.1.2 any credit reference agency;
  - 21.1.3 any other member of the KBC Group and their respective officers, employees, agents and advisers;
  - 21.1.4 any person with whom we have entered or propose to enter into contractual relations or who provides or proposes to provide services to us in connection with the Basic Current Account and their respective officers, employees, agents and advisers;
  - 21.1.5 (if there is more than one of you) the other(s) of you and their respective advisers, and
  - 21.1.6 to third parties (including without limitation law enforcement authorities) where KBCI is permitted, required or compelled to do so but only to the extent required by law or by the rules of any regulatory authority to which KBCI is subject to.
- 21.2 We may (without the need for any further consent from or notice to you) make such enquires about you as we from time to time consider appropriate.
- 21.3 Insofar as the information mentioned in this Clause 21 consists of personal data within the meaning of the DPA the authority contained in this clause shall be a consent for the purposes of that Act.

## **22. DATA PROTECTION**

- 22.1 The Data Protection Documents set out in detail how we may use your personal information and our obligations under Data Protection Law. We keep the Data Protection Documents under regular review and any amendments and/ or updates we make will be reflected in the relevant Data Protection Document which is accessible online at [www.KBC.ie](http://www.KBC.ie). Hard copies of the Data Protection Notice can also be obtained from any of our Hubs or on request from KBC Customer Service Representatives by phone or by email. Should there be any conflict between these Terms and Conditions and the Data Protection Documents, these Terms and Conditions shall prevail.
- 22.2 In the case of a corporate customer, it confirms that it has provided its directors, officers, employees and individual signatories with a copy of the Data Protection Notice which explains their rights as a data subject pursuant to Data Protection Law.
- 22.3 In the case of a customer which is a partnership, sole trader or individual, each confirms that it has provided each individual signatory with a copy of the Data Protection Notice which explains their rights as a data subject pursuant to Data Protection Law.

## **23. AMENDMENT AND VARIATION**

- 23.1 We reserve the right to amend these Terms and Conditions from time to time for such reasons as we deem reasonable and necessary due to changes in legislation or regulation applicable to us and/or there is a change in technology and/ or banking practice generally or as otherwise considered by us as reasonable and/or necessary and which do not adversely impact you.
- 23.2 We will give you at least one months' notice of such amendments or variations unless otherwise permitted by law. Unless we are required by law to use a particular medium, notice will usually be provided via our website or we may place an advertisement in at least 2 daily national newspapers outlining the changes. Changes which will not adversely affect you may be implemented immediately.

## **24. NOTICES**

- 24.1 Letters to KBCI can be posted to or delivered by hand and should be addressed to KBCI Corporate Treasury, KBC Bank Ireland plc., Sandwith Street, Dublin 2.
- 24.2 Any notices, demands or statements 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, when transmission is completed and confirmation receipt is received.



24.3 Any notice required to be served by you in connection with the Services can be served by sending such notice by prepaid ordinary post to KBC Bank Ireland plc, Corporate Treasury, Sandwith Street, Dublin 2, addressed to the Head of Corporate & Institutional Deposits and shall be deemed given by you to us 48 hours after posting.

## **25. 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 our obligations hereunder 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 our agents or third parties or any other reason beyond our control.

## **26. ASSIGNMENT**

You may not assign or otherwise transfer any of your rights, benefits or obligations under this agreement (including without limitation, the Application Form and Terms and Conditions) without our prior written consent. We may (without the need for any further consent from or notice to you) assign, transfer, mortgage, novate, charge or otherwise grant interests in or dispose of the whole or any part of our rights, benefits and obligations in connection with this agreement and the Account and any reference to us in this agreement shall be deemed to include any assignee, transferee, novatee, mortgagee, chargee, grantee or other disposee and our successors who shall be entitled to enforce and proceed upon and exercise all rights, powers and discretions under this agreement in the same manner as if named herein.

## **27. WAIVER**

No time or indulgence which we may extend to you nor any waiver by us of any condition 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.

## **28. STATUTORY RIGHTS**

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

28.2 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.

28.3 If we default in our obligations hereunder you may exercise such legal rights as may be available to you whether arising in contract or as a matter of law.

## **29. 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, sections or sub-sections is or becomes invalid, illegal or unenforceable, this will not affect the validity, enforceability and legality of any of the other clauses, sections and sub-sections of these Terms and Conditions.

## **30. ENTIRE AGREEMENT**

You acknowledge that the application is made on the basis of these Terms and Conditions and is subject to these Terms and Conditions together with the Confirmations, authorisations, acknowledgements, instructions, mandates and consents contained in your application and where applicable to the terms of the documentation set out in Clause 10, and that you have not relied on any representations or other information (whether oral or written) other than as set out herein to enter into this agreement.

## **31. COMPLAINTS**

31.1 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.

31.2 If you have any complaints in relation to the services provided by us you should outline the nature of your complaint to us by telephone or in writing. 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.

## **32. INVESTOR COMPENSATION SCHEME**

32.1 The Investor Compensation Act 1998 (the 'Act') provides for the establishment of a compensation scheme and payment in certain circumstances, of compensation to certain clients, (known as eligible investors) of authorised investment firms.



- 32.2 KBCI is a member of this compensation scheme
- 32.3 Compensation may be payable where money or investment instruments owed or belonging to clients and held, or in the case of investment instruments, administered or managed by KBCI cannot be returned to the those clients for the time being and there is no reasonable foreseeable opportunity of KBCI being able to do so.
- 32.4 A right to compensation will only arise if the client in an eligible investor as defined in the Act.
- 32.5 Where an entitlement to compensation is established the compensation payable will be the lesser of 90% of the amount of the clients loss as recognised for the purposes of the Act or €20,000.

### 33. PRIIPS REGULATION

We are required as part of our obligations under the PRIIPS Regulation to provide you with a Key Information Document for every over the counter derivative transaction that you enter into with us and which is within the scope of these regulations. If you are categorised as a Retail Investor as defined in the PRIIPS Regulations and enter into an OTC derivative transaction we will provide this Key Information Document to you by means of our website at <https://www.kbc.ie/corporate-treasury/markets-in-financial-instruments-directive>. You have the right to request the Key Information Document in paper form and can do so by contacting us at [fundingteam@kbc.ie](mailto:fundingteam@kbc.ie).

**BY AGREEING TO THESE TERMS YOU CONSENT TO US PROVIDING THE KEY INFORMATION DOCUMENT BY POSTING IT ON OUR WEBSITE WWW.KBC.IE.**

### 34. GOVERNING LAW AND JURISDICTION

- 34.1 The laws of Ireland apply as the basis for establishing relations with you prior to entering into any agreement with you.
- 34.2 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.

### 35. TAXATION

- 35.1 Financial institutions in Ireland are required as a matter of law to collect information about a customer's tax arrangements. 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 including without limitation FATCA and CRS.
- 35.2 Before you can open an Account and at any time while you continue to hold and operate the Account, you may be required to provide us with certain documentation to confirm your status under CRS and FATCA. We reserve the right not to offer an Account if we do not have satisfactory documentation in respect of FATCA and CRS. You must provide us with a completed and up to date CRS/FATCA self-certification form where there has been a change in your circumstances that may change the CRS/FATCA self-certification that you have previously provided to us.
- 35.3 Please note that KBC are unable to offer taxation advice. For tax related queries please contact your professional tax advisor or the Revenue Commissioners. Further information on CRS and FATCA is available on the Revenue website <https://www.revenue.ie/en/companies-and-charities/international-tax/aeoi/what-is-aeoi.aspx>.
- 35.4 We reserve the right to deduct monies from your Account or any monies we hold on your behalf, in accordance with our legal obligations on the instructions of the Revenue Commissioners including without limitation on receipt of a Notice of Attachment issued pursuant to Section 1001 and/or 1002 of the Taxes Consolidation Act 1997.
- 35.5 We will provide all customer and account information as is required of us on receipt of a Notice from the Revenue Commissioners under Section 906A Taxes Consolidation Act.

### CUSTOMER INFORMATION NOTICE:

Under Irish Tax Legislation (Section 891E, Section 891F and Section 891G of the Taxes Consolidation Act 1997 refers), financial institutions including KBC are obliged to collect information on customer's tax arrangements. If you/the Account Holder and in certain circumstances the Controlling Persons has a tax residency outside of the Republic of Ireland or are a U.S. person, we are required to report (where relevant) the following details in respect of all accounts that you hold with us, and where relevant your Controlling Persons, to the Irish Revenue: name, address, date of birth, place of birth, account number, U.S. citizenship and/or jurisdiction(s) of tax residence, Tax Identification Number (TIN), account balance or value at year end, and payments made with respect to the account during the calendar year. Irish Revenue will report this data to the tax authorities of each participating country where the Account Holder and/or Controlling Person is tax resident, or to the IRS in the case of U.S. tax residents and certain U.S. persons. If due to a change in circumstances, the CRS and FATCA self-certification that was provided to us becomes inaccurate, please advise us promptly. You can find more information on <http://www.revenue.ie/en/companies-and-charities/international-tax/aeoi/what-is-aeoi.aspx>

# APPENDIX 1

## Spot & Forward Exchange

A spot contract is a binding contract to buy or sell an amount of foreign currency at a pre-agreed exchange rate, for settlement in two business days' time.

A forward exchange contract (or forward contract) is a binding contract to buy or sell a certain amount of foreign currency at a pre-agreed rate of exchange, on a certain future date.

Spot and forward contracts are, but not limited to, used to hedge underlying foreign exchange risks. Foreign exchange rates are volatile and react to factors such as political or economic events.

## Structured Foreign Exchange

A foreign exchange structured contract is a binding contract where the amounts and rates to be delivered may not be known at the outset of the contract.

The final delivery amount and / or rate may be dependent upon the movement of foreign rates during the life of the contract.

These products are more complex than spot contracts or forward contracts and are more volatile than spot and forward contracts and can result in increased risk to the client. As outcomes can be unknown at the outset of the contract, there is a risk that the initially desired outcome will not be achieved by the client.

## Interest Rate Derivatives

An Interest Rate derivative transaction includes, but is not limited to interest rate swaps, interest rate caps, forward rate agreements, foreign exchange options and currency swaps. These products are used to, but not limited to, hedging against the potential of adverse interest rate movements and also in the case, of currency movements in respect of currency swaps. The Interest Rate derivative market can become illiquid in adverse market conditions. In such circumstances, it can be difficult to assess the value of the contract if a liquidation request of a contract is received. It may also be very difficult to liquidate trades and if a close out is secured the close out rate will be at the discretion of the bank.

## Foreign Currency Derivatives

A Foreign Currency derivative transaction includes, but is not limited to, foreign exchange options and currency swaps. These products are used to, but not limited to, hedging against the potential of adverse currency rate movements and also interest rate movements in respect of, currency swaps.

The Foreign Currency derivative market can become illiquid in adverse market conditions. In such circumstances, it can be difficult to assess the value of the contract if a liquidation request of a contract is received. It may also be very difficult to liquidate trades and if a close out is secured the close out rate will be at the discretion of the bank.

## European Commercial Paper and CD's ("ECP")

KBC Bank Ireland is an authorised dealer of the €1bln KBC Bank Ireland combined ECP and CD programme. ECP is an unsecured, short term debt instrument issued by a bank or corporation through the international capital markets, the paper has a maximum maturity of 364 days.

It enables the placement of surplus funds by buying the debt instrument and also gives the buyer, if a regulated entity, the option but not the obligation to use the instrument as collateral in Central Bank repurchase operations.

The instrument is illiquid. The issuer and the dealer are not required to provide a secondary market, if a client seeks to sell the paper before the maturity date.



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KBC/2585-2 (04/18)