

AIB Flexi Deposit Accounts

Terms and Conditions

These terms and conditions apply to Flexi Deposit Accounts maintained by Allied Irish Banks, p.l.c. for its customer; they may be changed by the Bank by notification to the Customer by such means as the Bank considers appropriate. These terms and conditions are in addition to the terms and conditions of the banker-customer relationship implied by law unless they conflict, in which case these terms and conditions will prevail. Please note that there may be alternative products which have different benefits, restrictions and/or cost or income options. If you want any further information please ask at any AIB branch.

Definitions

In these terms and Conditions:

“the Account” means a Flexi Deposit Account or Accounts opened by the Customer with the Bank.

“the Bank” means Allied Irish Banks, p.l.c.

“The Customer” means a person, persons or corporate entity who open an Account with the Bank subject to these terms and conditions. Where the customer comprises more than one person, these terms and conditions will apply to such persons jointly and severally.

“the Minimum Balance” means the minimum initial deposit requirement as prescribed by the Bank from time to time to be made on the opening of the Account and the Account to operate in credit at all times.

“the Minimum Lodgement” means the minimum additional lodgement requirement as prescribed by the Bank from time to time accepted for deposit on the date of commencement of the Term and on the date of re-investment.

1. Operation of the Account

1.1 A Flexi Deposit Account is a deposit placed with the Bank for a fixed period (“the Term”) selected by the Customer from a number of optional periods on offer for deposits of minimum amounts fixed by the Bank from time to time (“the balance limit requirements”).

1.2 The minimum balance requirement of the initial deposit must be made on commencement of the Term.

2. Lodgements

2.1 The Bank shall accept for lodgement on commencement of the Account and on reinvestment cash, cheques, drafts and other negotiable instruments.

2.2 Lodgements by way of standing order, money transfer including the electronic money transfer system (EMTS) transfers or other electronic means are not permitted.

2.3 On the date of commencement of the term of the Account and on standing instructions for reinvestment for future terms the Bank may accept an additional lodgement to the Account subject to the minimum balance requirement and minimum lodgement requirement as prescribed by the Bank from time to time.

2.4 No interim lodgements shall be accepted during the term of the Account.

2.5 Cheques, Drafts and other negotiable instruments and non-cash items are accepted for lodgement subject to

verification and are transmitted for collection at the risk and subject to payment of all incidental costs by the Customer. Cheques payable to third parties will only be accepted for lodgement to the Account at the Bank’s absolute discretion. At the date of the lodgement the Bank may not have received value for such items and calls such items “uncleared effects”. The Bank may at its discretion allow the customer to draw against uncleared effects but reserves the right to withhold funds until the Bank has received value.

2.6 The Bank will ensure that all funds received for value accepted for the account prior to the applicable cut off time on a business day are credited to the Account and will begin to accrue interest and will be made available to the Customer (subject to the Terms of the Account) from the date of receipt of funds by the Bank.

2.7 The Bank may reverse any entry on the account if any item credited to the account is not paid or is recalled by the paying Bank (including when we are the paying Bank) or is returned by the Bank due to mistake, fraud or the operation of any clearing rules. If any cheque, draft or other negotiable instrument credited to the account on initial investment or reinvestment is returned unpaid and the credit reversed such reversal will constitute a withdrawal from the Account and will be considered an exercise of the Customer’s once-off option to withdraw up to a percentage of the initial deposit without incurring redemption costs for the purposes of Clause 3.1 below.

2.8 In respect of a company customer, notwithstanding the convening of a meeting to consider a resolution for the winding up of the company, the Bank may continue to accept lodgements to an account in reduction of any debit balance or debt of the company until such time as a Liquidator is appointed.

3. Withdrawals

3.1 The Customer(s) may avail of a once-off option to withdraw without incurring a redemption cost during the term. The permitted withdrawal amount is up to 50% of the total sum deposited.

All requests for withdrawal must be made or confirmed in such form and manner as the Bank may prescribe. Payments outwards by standing order or Direct Debit or by any electronic means shall not be permitted on the Account.

3.2 Any other withdrawal from or alteration of the existing term of the Account at the request of the Customer before its Maturity Date will only be permitted at the discretion of the Bank and will constitute a breach of contract.

It shall involve an administration cost and may, in addition, involve a funding cost (together known as “Redemption Cost”).

Administration Cost is a flat fee of €63.50. Funding Cost is made up of the amount withdrawn multiplied by the difference in the interest rate on the date of deposit and the date of withdrawal multiplied by the remaining term.

4. Interest

- 4.1 Interest accrues daily on the cleared balance in the Account during the Term of the deposit at the rate of interest offered by the Bank at the date of commencement of the Term.
- 4.2 If you choose to make an additional lodgement on the date of commencement of the Term of the Account or on reinvestment for further terms, this may affect the interest rate on your account. The applicable interest rate prevailing on the day may be adjusted to take into account the new aggregate balance of the account.
- 4.3 Where the Term of the Account is less than one year, we will pay interest on Maturity. Where the Term of the Account is more than one year, we will pay interest annually on the twelve month anniversary date of the commencement of the Term and up to date of Maturity. Where, subject to Condition 3.2, a full withdrawal is made from the Account during the Term, we will pay interest up to the date of the withdrawal. Regular payments of interest are not permitted on the Account.
- 4.4 It is possible to have interest paid into a nominated account on maturity or on the anniversary of the Account if the term of the Account is longer than one year.
- 4.5 Payment or crediting of interest is subject to deduction of Deposit Interest Retention Tax (DIRT) where applicable.
- 4.6 Companies (within the charge to corporation tax), Pension Schemes and Charities may receive interest without deduction of DIRT, by providing the Bank with the tax reference number assigned to them by the Revenue Commissioners.
- 4.7 The Bank will deduct DIRT from the accounts of non-residents unless a fully completed non-resident declaration form is held by the Bank, and a minimum balance of €12,500 is maintained at all times in the account. The minimum balance requirement will apply separately to each account that a customer holds. Aggregation of balances will not be allowed. If an account balance falls below the minimum threshold the account will revert to paying DIRT at the prevailing rate. In the event that the account balance subsequently rises above the minimum threshold the account holder will have to re-apply for exemption and provide fresh confirmation of residential status.
- 4.8 If you or your spouse/civil partner is aged 65 or over in the current tax year, or you or your spouse/civil partner is permanently incapacitated and satisfy the conditions exempting you from income tax, you may apply to have the interest on the account paid without deduction of DIRT.

5. Maturity: Re-Investment or Withdrawal

- 5.1 The Account matures on its maturity date for re-investment, with or without accrued interest, in a new Account or for withdrawal of the amount not re-invested, at the option of the Customer.
- 5.2 On or before the maturity date of the Account, the Customer may issue an individual instruction for re-investment on each occasion until further notice.
- 5.3 Each re-investment of the amounts standing to credit of the Account on its maturity date is a new Account of the amount re-invested for the term of such re-investment at the rate of interest fixed by the Bank for the new Account on the day of re-investment.
- 5.4 An individual instruction for re-investment may be accepted by telephone provided that the Customer has

established identity to the satisfaction of the Bank.

- 5.5 In the absence of any re-investment instruction from the Customer or instruction for withdrawal, the balance standing to credit of an existing Account (with or without interest accrued thereon, as applicable) will upon its maturity and pending instruction from the Customer(s) be held as an overnight deposit at the rate of interest of the Bank current for such deposits of such amounts from time to time.
- 5.6 Additional funds are accepted for deposit at the date of re-investment in a new Account on maturity of an existing Account subject to the minimum balance requirement and minimum lodgement requirement operative at the time of reinvestment.

6. Joint Accounts

- 6.1 Where a Customer comprises more than one person then the obligations of the customers to the Bank under these terms and conditions in respect of all operations on the account and in respect of any indebtedness on the account will be joint and several.
- 6.2 Correspondence and notices in relation to the account will be sent by the Bank to the address of the first named customer unless all of the customers direct otherwise in writing. Such correspondence and notices will be deemed to have been received by all of the customers.
- 6.3 On the death of a joint customer, the money for the time being standing to the credit of the account will be paid to or to the order of the survivor or the sole survivors of the joint customers, without prejudice to the Bank's rights of set-off or any other rights the Bank has acquired by operation of law.

7. Variation of the Agreement

- 7.1 The Bank reserves the right to amend these terms and conditions. Any such amendments will be notified to Customers by such means as the Bank considers appropriate and by means required or permitted by law.
- 7.2 Where an amendment is being made to the Terms and Conditions which shall act to the Customer's disadvantage the Bank shall provide at least 30 days pre-notification before such amendment shall be effective and binding (other than an alteration in the fees and charges which shall be effective from the date as specified in the pre-notification).

8. Closure of your Account

- 8.1 We can close or suspend your Account immediately in any of the following circumstances:
 - 8.1.1 if you are adjudicated bankrupt under Irish law or we have received notice of a foreign bankruptcy court order having been made against you in another jurisdiction or if you enter into a voluntary arrangement with your creditors;
 - 8.1.2 in respect of a company customer, if a petition is presented for winding up or for the appointment of an examiner, if a meeting is convened for the purpose of considering a resolution or a resolution is passed for the winding up of the company, or the appointment of a receiver;
 - 8.1.3 if you cease trading;
 - 8.1.4 if you are no longer, in our opinion, able to manage your financial affairs;
 - 8.1.5 if you die;

- 8.1.6 if any representation, warranty or statement made by you to us is or becomes untrue in any material respect;
- 8.1.7 if you commit any serious, or repeated, breach of these Conditions;
- 8.1.8 if you are in breach of any other agreement with us;
- 8.1.9 if we must do so in order to comply with any law;
- 8.1.10 if you use your Account for any unlawful or other inappropriate purposes; or
- 8.1.11 if for any reason this Agreement becomes unenforceable or void.

If we take such action we will immediately give you notice in writing that we have done so.

9. General

- 9.1 The Bank shall neither be in breach of its obligations under the Agreement nor liable for any loss or damage suffered by the Customer if the Bank delays or fails to perform its duties and obligations to the Customer because of circumstances beyond the Bank's control (including but not limited to acts of God, fire, acts of government, war, civil commotion, inability to communicate with third parties, failure of any computer or settlement system and labour disputes).
- 9.2 The Bank may at any time, without notice to the Customer, set off and apply the credit balance in any deposit account toward payment of the debit balance on any other account held by the Bank in the Customer's name either solely or jointly with any other person.

- 9.3 The Customer will not be entitled to draw on one account in reliance on the balance in another account.
- 9.4 The Customer must advise the Bank if there is a forgery.
- 9.5 The Customer will be liable to indemnify the Bank for any loss, damage, cost or expense which the Bank may incur in connection with the collection of cheques and other items to the Account or in connection with any breach of these Conditions by the Customer.
- 9.6 For information in relation to how we collect personal information about you, how we use it and how you can interact with us about it, see our Data Protection Notice in branches and online. It may change from time to time.
- 9.7 In the interpretation of these terms and conditions, where the context allows, the singular shall include the plural and vice versa.
- 9.8 Any demand or notice sent by the Bank to the Customer by post to the last address notified by the Customer shall be deemed to have been received two working days after dispatch by ordinary post, or immediately upon hand delivery.

10. Governing Law

Irish Law will apply and the contract will be subject to the jurisdiction of the Irish Court.

AIB Flexi Deposit Accounts

Important Information

About Us

- We are Allied Irish Banks, p.l.c. whose principal business is the provision of financial services. Our registered offices are at Bankcentre, Ballsbridge, Dublin 4. We are registered at the Companies Registration Office, Dublin. The registered number of Allied Irish Banks, p.l.c. is 24173 and its VAT number is IE8E86432H.
- We are regulated by the Central Bank of Ireland.

About Our Flexi Deposit Accounts

- A Flexi Deposit Account is an account to which you can lodge money for a fixed term. You may avail of a once-off option to withdraw funds during the deposit term without incurring a redemption cost. The permitted withdrawal amount is up to 50% of the total funds deposited.
- The minimum deposit for a Flexi Deposit Account is €1,000.
- Additional Lodgements will only be accepted on the day of maturity. (Subject to a minimum lodgement amount of €1,000.)
- No interim lodgements are accepted during the term of the account.
- When you put your savings into a Flexi Deposit Account, the prevailing rate of interest will be applied to the account for the term of the deposit. We will calculate interest on the daily balance in the account at the rate you avail of on the day you open your account. Interest is paid into the account at the end of the term.
- There are no operating costs associated with Flexi Deposit Accounts provided that you do not make more than one withdrawal during the term of the deposit and provided such withdrawal is not in excess of the 50% of the total funds deposited. Only one withdrawal[‡] is permitted during the term of the deposit without incurring a redemption cost.

If these conditions are not met redemption costs will be applied as follows:

<p>€63.50 Administration cost + Funding cost* (where applicable)</p>
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* The funding cost is made up of the amount withdrawn multiplied by the difference in the interest rate on the date of deposit and the date of withdrawal multiplied by the remaining term.

‡ Note: If any cheque, draft or other negotiable instrument credited to the account on initial investment or reinvestment is returned unpaid and the credit reversed such reversal will constitute a withdrawal from the Account and will be considered an exercise of the Customer's once-off option to withdraw up to the 50% of the initial deposit without incurring redemption costs.

Interest Rates

- Interest rates are available in any AIB branch

Tax on interest earned on deposit accounts

- We will deduct Deposit Interest Retention Tax (DIRT) at the prevailing rate from all interest earned, unless you are entitled to exemption from DIRT, and we will pay this directly to the Revenue Commissioners.
- To the extent that DIRT has been deducted there is no further liability to Irish income tax, but individuals may be subject to PRSI. Deposit Interest is not liable to the Universal Social Charge.
- The Bank will deduct DIRT from the accounts of non-residents unless a fully completed non-resident declaration form is held by the Bank and a minimum balance of €12,500 is maintained at all times in each account maintained by the non-resident.
- If you or your spouse/civil partner are aged 65 or over in the current tax year, or are permanently incapacitated, and you are exempt from income tax, you may apply to have the interest on the account paid without deduction of DIRT.

Cancellation

- If you are a consumer and have opened an AIB Flexi Deposit Account without any face to face contact with us, you have the right to cancel the agreement within 14 days of your receiving a copy of the terms and conditions of the account by writing to the Manager of the branch where you keep your account, quoting details of the account.
- After said period of 14 days withdrawals from an AIB Flexi Deposit other than those permitted (as set out above) before its maturity date is a breach of the conditions of the account, will only be permitted at the discretion of the bank and will involve a redemption cost as outlined above.
- The redemption cost will consist of an administration cost, at present €63.50, and may, in addition, involve a funding cost.
- The funding cost will be the amount withdrawn multiplied by the difference between the interest rate applicable to the account on the date of deposit and the interest rate which would then be available on the date of withdrawal for a deposit of that amount multiplied by the remainder of the Term.
- The funding cost is intended to ensure that the Bank does not suffer a financial loss as a result of the early withdrawal from a Fixed Term Deposit Account.
- If you cancel or terminate the agreement we will pay you interest on the money you have deposited up to the date you withdraw it.
- If you do not exercise your right of cancellation, the terms of the agreement will continue to apply.

Termination

You can close the account at any time subject to the notice period or the term of the account, where applicable. We can close the account by giving you 30 days' notice coinciding with the notice period or maturity of the term of the account, subject to any right we may have to set off the money in the account against any money you may owe us.

General

- The agreement will be governed by the laws of Ireland and the Courts of Ireland will have exclusive jurisdiction to resolve any disputes.
- The agreement and all information and communication with you will be in English.

What to do if you have a complaint

In the event that you wish to make a complaint you may do so by writing to our Customer Care Team at Bankcentre, Ballsbridge, Dublin 4. If you are still not satisfied you are entitled to take your complaint to the Financial Services and Pensions Ombudsman, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2.