

## Instalment Savings Scheme Specific Conditions

### Instalment Savings (Issue 14) – 6 Year Term – Total Return 5.50%

Issued pursuant to Section 53 of the Finance Act 1970.

**The General Terms and Conditions applicable to certain State Savings Products which became effective on Sunday 5 June 2016 apply to Instalment Savings and are incorporated herein by reference.**

#### Application and Interpretation

Unless otherwise defined herein, capitalised terms used in these terms and conditions relating to Instalment Savings (the “**Instalment Savings Conditions**”) shall have the meanings ascribed to them in the General Terms and Conditions.

In the event of a conflict or ambiguity arising between the General Terms and Conditions and the Instalment Savings Conditions, the Instalment Savings Conditions shall prevail.

These Instalment Savings Conditions apply to Issue 14 only and are effective as and from Sunday 5 June 2016.

In these Instalment Savings Conditions:

“**Contribution Period**” means the period commencing on the Registration Date and ending on the last day of the 11<sup>th</sup> month after the month in which the Registration Date falls.

“**Interest**” shall have the meaning set out in condition 2 below.

“**Interest Bearing Period**” means the 5 year period commencing on the day after the end of the Contribution Period and ending on the day before the Maturity Date.

“**Issue 14**” means the issue of Instalment Savings issued on or after Sunday 5 June 2016 and available for purchase until such time as the Minister for Finance, acting through the NTMA, determines.

“**Maturity Date**” means the date that is the fifth anniversary of the date of commencement of the Interest Bearing Period.

“**Term**” means the period commencing on the Registration Date and ending on the day before the Maturity Date.

#### 1. Monthly Instalments

- 1.1 The minimum permitted monthly instalment that may be made in Issue 14 during the Contribution Period is €25.
- 1.2 The aggregate maximum monthly instalment that may be made in any holding of Issue 14 during the Contribution Period is €1,000, regardless of the number of Holders. The maximum monthly instalment of any individual, howsoever contributed, whether as a sole Holder or a Joint Holder, shall not exceed €1,000.
- 1.3 The total amount saved during any Contribution Period shall comprise the instalments paid in each of the 12 months of the Contribution Period. Payments may be made at any time during each of the relevant months, subject to the aggregate maximum monthly instalment limit of €1,000 referred to in condition 1.2.
- 1.4 No partial Early Redemption of instalments is permitted during the Contribution Period. Early Redemption of all instalments before the expiry of the Contribution Period will have the effect of terminating the relevant Instalment Savings holdings and no further instalment payments will be accepted. Holders may, however, commence new Instalment Savings holdings by completing a new Application Form.
- 1.5 Instalments that continue to be paid after the Contribution Period will be treated as new Instalment Savings holdings, and will be subject to the General Terms and Conditions and Specific Conditions prevailing on the date of commencement of such new Instalment Savings holdings.

#### 2. Payment of Interest

- 2.1 Interest will be payable on Instalment Savings (“**Interest**”), in accordance with this condition, on the earlier of:
  - (a) the Maturity Date, or
  - (b) the date of Early Redemption.No Interest is payable during the Contribution Period.
- 2.2 Where held until the end of the Term, the total amount of the Interest payable to you will be 5.50% of the Principal Amount as at the Maturity Date.

- 2.3 Where Instalment Savings are redeemed (in whole or in part) prior to the first anniversary of the date on which the Interest Bearing Period commences, the Interest payable to you will be calculated at a rate of (0.05)% per annum on the portion of the Principal Amount being redeemed for the number of days from (and including) the date on which the Interest Bearing Period commences to (but excluding) the date of Early Redemption.
- 2.4 Where Instalment Savings are redeemed (in whole or in part) on or after any anniversary of the date on which the Interest Bearing Period commences, the Interest payable to you will be the sum of:
- (i) the amount calculated by applying to the portion of the Principal Amount being redeemed, the Total Cumulative Interest Percentage indicated in Table 1 below for the most recent anniversary of the date on which the Interest Bearing Period commences, and
  - (ii) an amount calculated at a rate of 0.05% per annum on the portion of the Principal Amount being redeemed for the number of days (if any) from (and including) the date of the most recent anniversary of the date on which the Interest Bearing Period commences to (but excluding) the date of Early Redemption.

**Table 1**

Anniversary of the Registration Date on or after which redemption occurs	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>
Total cumulative interest percentage	0.05%	0.50%	1.00%	3.50%	5.50%
Example of return (principal and interest) on €1,000 principal amount	€1,000.50	€1,005.00	€1,010.00	€1,035.00	€1,055.00

**EXAMPLE** – If Instalment Savings have a Principal Amount of €1,000, and are redeemed in whole 2 years and 160 days after the commencement of the Interest Bearing Period, the Interest payable is: €5 (applying the Total Cumulative Interest Percentage of 0.50% due on the 2nd anniversary of the date of commencement of the Interest Bearing Period); and €0.22 (applying the annual rate of 0.05% to the 160 days from the 2nd anniversary of the date of commencement of the Interest Bearing Period to (but excluding) the date of Early Redemption), giving total Interest payable of €5.22 and a total return (Principal Amount and Interest) of €1,005.22.

### **3. Notification of Maturity Date**

- 3.1 At least 10 Business Days in advance of the Maturity Date we will contact you in writing:
- (a) to notify you of the Maturity Date and the total amount payable to you; and
  - (b) to request your instructions on the payment of such amount.

- 3.2 We will continue to hold the total amount payable to you until such instructions are received. You should note that no Interest or other amount shall accrue in respect of Instalment Savings in Issue 14 on or after the Maturity Date.

### **4. Taxation**

- 4.1 The Interest is not subject to Deposit Interest Retention Tax, and is exempt from Income Tax, Pay Related Social Insurance and the Universal Social Charge. Instalment Savings in Issue 14 are exempt from Capital Gains Tax in Ireland.
- 4.2 You may have other tax liabilities depending on your specific circumstances. We would therefore recommend that you consult your Tax Adviser.

### **5. Group Savings Schemes**

- 5.1 Group Savings Schemes, where instalments are deducted from Holders' pay and remitted to the National Treasury Management Agency (or its Agents), may be operated by employers on behalf of their employees. Instalments may be paid on a weekly, fortnightly or monthly basis by members of such schemes, but subject always to the limits prescribed in condition 1 hereof. Completed Application Forms and notifications to change the amount of the monthly instalment should be given to the employer operating the Group Savings Scheme.
- 5.2 In the case of Group Savings Schemes, one month's prior notice of withdrawal is required during the Contribution Period, and for withdrawals during the Interest Bearing Period the procedure set out in condition 10 (Maturity and Early Redemption) of the General Terms and Conditions applies.