



**A Guide to
your
Bank of Ireland
Personal Loan**



**Bank of
Ireland**



This brochure explains important changes we're making to how we manage your personal loan that differ from KBC Bank Ireland plc (KBC).

Please take the time to read it carefully.

These changes will be effective from the service transfer date.

Search 'KBC' on Bank of Ireland's website for more information.

If you need further help understanding this brochure, please call Bank of Ireland's KBC Transition Support team on 0818 210 290 or + 353 1 250 0305 (if calling from outside Ireland) from 8am-8pm, Monday-Friday (excluding bank holidays).

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**What's staying
the same?**

Your interest rate, repayment amount, number of repayments, monthly repayment date, and loan term

Your interest rate, the amount you pay in regular loan repayments, the number of repayments you make and your loan term will all stay the same as a result of the transfer of your personal loan from KBC to BOI.

Once your loan transfers to BOI, you should continue to make the same monthly loan repayments to us that you currently make to KBC. Your loan repayment amount may be amended in the future if you miss a payment and your account goes into arrears or if you make an out of course overpayment. If this happens we'll advise you of any changes to your repayment amount.

Your 1% discounted rate

If you currently have a 1% discount on your personal loan interest rate because you have a KBC current account, you'll continue to enjoy a discount on your personal loan. You do not need to open a BOI current account to maintain your discount.

How you access your personal loan T&Cs

Please contact KBC on 1800 93 92 44 8am-8pm, Monday - Friday, 9am-5pm Saturday and Sunday, for a copy of your existing personal loan T&Cs.

What's changing?

How you repay your personal loan to BOI

If you currently pay by direct debit

When your personal loan moves to BOI, **you'll be required to make your personal loan payments by standing order rather than direct debit.**

This change is needed because of differences in the way KBC's and BOI's banking systems for personal loans operate (our system takes personal loan repayments by standing order). There's no action for you to take now, but we'll explain how to set up a standing order in our next communication.

On the service transfer date, "direct debit" will be replaced by "standing order" in the following clause in your offer letter: "The Loan and all interest thereon shall be repaid by monthly instalments by way of direct debit from the Borrower's current account". We're using the variation clause in your existing KBC T&Cs to make this change and this is the only change to the T&Cs. All other KBC personal loan T&Cs will stay in place unchanged.

If you currently pay by standing order

We are aware also that a small number of KBC customers repay their personal loan by another arrangement such as a standing order. If you are one of those, you will be asked to cancel that other arrangement and to set up a new standing order when your personal loan moves to BOI. Again, if that is your situation, there is no action to be taken now, but we'll explain how to do this in our next communication.

If you currently pay by cheque or online

If you make repayments by cheque or online, you'll need to quote your new BOI loan account number as a reference on any repayments made.

How interest is calculated

KBC systems apply a 30-day month and a 360-day year method to calculate interest on your personal loan. BOI systems will accrue interest daily on the basis of a 365 calendar day count.

The move from 30/360 to a 365-day interest calculation should not result in an increased cost of credit on your loan, as long as you continue to make loan repayments as they fall due. A comparison of how KBC and BOI calculate interest is detailed below.

Does this change mean I have to pay more interest?

No. The change from a 360 to a 365-day count convention alone does not increase the amount of interest a customer pays on a personal loan as long as you continue to make loan repayments as they fall due.

Your final repayment due to BOI may be slightly less if you have made all loan repayments when they fall due.

What else could cause my interest cost to rise in future?

Here's some examples of future changes that could increase the cost of interest you pay on your personal loan:

- ▶ missing one or more monthly repayments
- ▶ paying your monthly repayment later than the due date
- ▶ changing the term (duration) of the personal loan
- ▶ changing your repayment date may sometimes increase the interest you pay

These are illustrative comparisons of how KBC (30/360 day basis) and BOI (365-day basis) calculate interest using examples of loans with different rates and terms (where all loan repayments are made when due, no overpayments are made during the life of the loan, and the rate is fixed for term of the loan):

	Amount	Term	Rate	APR	Day count convention	Monthly payments	Cost of Credit	Total Repayable amount
KBC	€14,000.00	60 months	6.13%	6.30%	30/360	€271.97	€2,317.96	€16,317.96
BOI	€14,000.00	60 months	6.13%	6.30%	365	€271.30	€2,278.00	€16,278.00
KBC	€12,000.00	48 months	7.07%	7.30%	30/360	€288.03	€1,825.20	€13,825.20
BOI	€12,000.00	48 months	7.07%	7.30%	365	€287.52	€1,800.96	€13,800.96
KBC	€5,000.00	36 months	8.64%	8.90%	30/360	€158.16	€693.81	€5,693.81
BOI	€5,000.00	36 months	8.64%	8.90%	365	€158.02	€688.72	€5,688.72
KBC	€7,000.00	60 months	9.56%	9.90%	30/360	€147.02	€1,821.55	€8,821.55
BOI	€7,000.00	60 months	9.56%	9.90%	365	€146.96	€1,817.60	€8,817.60

Interest on overdue repayments

KBC do not charge interest on overdue repayments. KBC were not obliged to give that concession under the T&Cs of your personal loan. BOI will not continue that concession.

If you do not pay any sum of money you are due to pay under your personal loan on the correct repayment date (or do not pay it in full on the repayment date), BOI will charge interest on the sum or any part of it that remains unpaid from the date it was due until it is paid in full.

If there's any overdue (or unpaid) repayment on your personal loan on the date when KBC transfers it to us, BOI will charge interest on it from the transfer date until it is paid in full.

Your personal loan account number

We'll provide you with a new personal loan account number before your personal loan transfers from KBC to BOI.

Accessing your personal loan account online

To view your personal loan details online on the BOI Mobile App, you'll need a 365 online profile. To get a 365 online profile, you must have a BOI current account.

Alternatively, if you don't have a BOI current account you can check your personal loan details by contacting Bank of Ireland's KBC Transition Support team on 0818 210 290 8am-8pm, Monday – Friday (excluding bank holidays) or + 353 1 250 0305 (if calling from outside Ireland), or by dropping into any BOI branch.

What communications can I expect to receive from BOI?

Here's a list of communications you should have already received from us and some you'll get in the in the coming weeks/months:

Communication No.	Details
1	 <p>This first communication was accompanied by our Data Privacy Notice (DPN) and Terms of Business (TOB). Our DPN explained how we hold and use your personal information. Our TOB set out the general terms under which we provide financial services to you.</p>
2 this communication	 <p>This explains important changes we're making to how we manage your personal loan that differ from KBC.</p>
3	 <p>This will explain any actions you may need to take to ensure your personal loan account is ready to use when it transfers to BOI.</p>
4	 <p>This will welcome you as a BOI customer, confirm the legal transfer date and the service transfer date and explain any actions you need to take when your account has transferred to BOI.</p>

WARNING: IF YOU DO NOT MEET THE REPAYMENTS ON YOUR LOAN, YOUR ACCOUNT WILL GO INTO ARREARS. THIS MAY AFFECT YOUR CREDIT RATING, WHICH MAY LIMIT YOUR ABILITY TO ACCESS CREDIT, A HIRE-PURCHASE AGREEMENT, A CONSUMER-HIRE AGREEMENT OR A BNPL AGREEMENT IN THE FUTURE.

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


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