

FREQUENTLY ASKED QUESTIONS

Fixed Term Deposit Account

What is the difference between a demand account (Shares/CUCash) and a Fixed Term Deposit Account?

Demand accounts give you full access to your savings at any time. With fixed term accounts your savings are locked away for the set period. Fixed term accounts usually offer better interest rates than demand accounts.

Click [here](#) to view the different savings accounts we offer.

How do I set up a Fixed Term Deposit Account? What documents do I need to set it up?

You must be over 18 and be a member of MFCU in order to set up a Fixed Term Deposit Account. In addition, you must hold a minimum amount in your shares in order to hold a Fixed Term Deposit Account. A copy of the application form and the suitability statement can be found [here](#). Alternatively, if you have any questions, please call our Member Service Team on 01 8513400 or email us at info@mfcu.ie to book an appointment to apply for a Fixed Term Deposit Account. A copy of our Terms and Conditions can be obtained [here](#).

If you are not already a member and you wish to join MFCU you will be required to provide:

- Proof of ID, e.g., driving licence or passport (PPS cards cannot be accepted as proof of ID)
- Proof of address, e.g., utility bill or bank statement issued within the last six months.
- Proof of PPS number, e.g., payslip, P60, revenue documentation. Please be advised that we cannot accept the Public Service Card as proof of PPS Number.

Can I make additional lodgements to my Fixed Term Deposit account?

Additional lodgements are not permitted to the Fixed Term Deposit. Lump sum lodgements are only allowed when the Fixed Term Deposit has been set up.

Can I withdraw money from my Fixed Term Deposit Account?

It is not possible to withdraw a portion of your funds throughout the term of the investment. Early encashment of the fixed term deposit is the only available option at which point the account will then be closed.

If you feel that you may need full or partial access to your funds during the Term, then this Account may not be appropriate for you. However, please contact us and the team will be happy to advise you on the most suitable savings product to match your requirements.

What happens if I set up a fixed term deposit account change my mind, or my circumstances change, and I don't want the account?

In the event that your circumstances change, or you change your mind, after you have completed the application form; you can withdraw some or all of your account balance up to 14 calendar days from the date of account set up, without charge.

In the event that the 14 days have passed it is not possible to get access to the funds in advance of the maturity date.

Is there a minimum and maximum balance I can hold in my Fixed Term Deposit Account?

There is a minimum balance that can be lodged of €5,000.

The maximum balance that can be lodged is €25,000.

Are my savings safe?

You are allowed save up to maximum limit of €30,000 with Member First Credit Union.

All of your Credit Union savings including any Fixed Term Deposits are covered up to limit of €100,000 in line with the Deposit Guarantee Scheme. Further information on the scheme is available on www.depositguarantee.ie

What happens to my savings at the end of the deposit term?

All interest is applied to the account on the maturity date and the funds are automatically transferred back to your shares account. The Fixed Term Deposit Account will subsequently be closed. You then have the option to withdraw the funds; retain your funds in shares or alternatively you can reinvest in a further Fixed Term Deposit Account.

Can I see my Fixed Term Deposit Account online?

Your Fixed Term Deposit Account can be viewed online after it has been set up. However, you will not be able to set up a fixed term deposit account online. We require you to call in to our branch and complete an application form. A copy of the application form can be viewed [here](#).

Can I set up more than one Fixed Term Deposit Account?

Yes, you can set up more than one Fixed Term Deposit Account up to a cumulative maximum limit of €30,000. A separate application form will, however, be required for each Fixed Term Deposit Account.

I have a joint account with a family member. Can I set up a Fixed Term Deposit Account?

Yes, a Fixed Term Deposit can be set up on a joint account. It will be assumed on a joint account that 50% of the Fixed Term Deposit belongs to each named party on the joint account. e.g. Frank and Nora (husband and wife) have a single account each with shares of €15,000 and €22,000 respectively. They also have a joint account with shares of €8,000 and a Fixed Term Deposit of €10,000.

Frank will be allowed to continue saving into the single account as his overall savings totals €15,000 plus €4,000 (50% of joint account shares) and €5,000 (50% of fixed term deposit). Totalling €24,000 out of maximum limit of €30,000

Nora will not be allowed to continue saving into the single account as his overall savings totals €21,000 plus €4,000 (50% of joint account shares) and €5,000 (50% of fixed term deposit). Totalling €30,000 which is the maximum savings amount.

Does the balance I hold in my account effect the savings I have in shares?

Yes, the overall balance that one member is entitled to hold in savings is €30,000. This balance of €30,000 is made up of the total amount of savings held by one member i.e. shares, deposits and fixed term deposits.

How is my interest calculated and how will I know how much interest I will earn at the end of the term?

Your interest will be calculated annually in line with the fixed term deposit rate and will be lodged to your account on an annual basis. The interest will be lodged to your Fixed Term Deposit Account on maturity date. DIRT will also be deducted at source at the current applicable rate. See example interest calculation below based on the current Fixed Term Deposit Rates and DIRT rates.

		€
FIXED TERM DEPOSIT (12 MONTH @1.75%)		20,000.00
Year One	1.75%	350.00
DIRT Deduction	33%	(115.50)
Total Interest credited to your account		<u>234.50</u>
Total Amount lodged to Shares upon maturity date		<u>20,234.50</u>
		€
FIXED TERM DEPOSIT (24 MONTH @2.00%)		25,000.00
Year One	2.00%	500.00
Year One DIRT Deduction	33%	(165.00)
Year Two	2.00%	500.00
Year Two DIRT Deduction	33%	(165.00)
Total Interest credited to your account		<u>670.00</u>
Total Amount lodged to Shares upon maturity date		<u>25,670.00</u>

Do I have to pay DIRT and what can I do if I am DIRT exempt?

From the 1st of January 2014, all Credit Union share dividend and deposit interest paid to members will be subject to Deposit Interest Retention Tax (DIRT) at the applicable rate. Certain members may be exempt from DIRT.

Members exempt from DIRT include:

Members aged over 65 whose total income is less than the relevant limit of €18,000 for an individual and €36,000 for a married couple. For married couples, only one spouse needs to be over 65.

To avail of this exemption, you must sign a self-declaration DE1 form and return to any MFCU branch. – download the form [here](#).

This form is also available in your Credit Union and is a declaration that you, or your spouse, are aged over 65 and that your total income is less than the relevant limit.

If you do not complete the self-declaration form, the Credit Union will be obliged to deduct DIRT from your interest or dividend. You will then have to apply directly to Revenue for a refund of this DIRT (if you are eligible).

Will I get Life Savings (LS) Insurance on my Fixed Term Deposit in the event of my death?

The Fixed Term Deposit Account does not carry any Life Savings Insurance cover.

The amount of Life Savings Insurance benefit payable to your Nominee / Estate in the event of your death is based on the amount of funds held in your savings account at the time of your passing. When you transfer funds from your share account in order to open a Fixed Term Deposit Account, it could impact the benefit payable in the event of your death.

In the event of your death during the term of the fixed term deposits account, any balances held in a Fixed Term Deposit Account will not be included in the calculation of the minimum savings balances for the purpose of a Life Savings Insurance claim payable to your Nominee or Estate. For further details on how the Life Savings Insurance Cover Works – see our website.

[Insurance and Nominations - Member First Credit Union - Loans and Savings \(mfcu.ie\)](#)

Will a statement be issued on my account?

Annual statements will be available to view on your CU online account.

If you do not have access to CUOnline please register using the attached link

[Home - Member First Credit Union - Loans and Savings \(mfcu.ie\)](#)

In the event that a paper statement is required, this can be obtained in any of our branches but will be subject to a charge.

Are there any Fees and Charges associated with this account?

There are no fees and charges associated with the opening, maturity or early closure of the fixed term deposit.

I have a problem with my application. What should I do?

Please call into branch, email us at info@mfcu.ie or contact our Member Services Team on 01 851 3400 and we will be happy to help you.

Please see link below to our opening hours:

[Opening Hours - Member First Credit Union - Loans and Savings \(mfcu.ie\)](#)