

## Terms of Business Acknowledgement Letter

Terms of Business Effective Date 1<sup>st</sup> September 2020

Client Name: \_\_\_\_\_

**Capital Financial Planning Limited trading as Capital Financial**

### Status

**Capital Financial Planning Limited trading as Capital Financial** ('the Company') is regulated by the Central Bank of Ireland.

### Terms of Business

Attached are the Company's Terms of Business, which outline the basis on which we provide services to our clients. Please ensure that you read this document carefully. These Terms of Business apply to all business transactions undertaken for you or services provided to you and will remain in force until further notice. Should we make any material changes to our Terms, we will advise you in advance of providing any further services to you.

Customer Signature .....

Date.....

## Consent to Contact

Here at Capital Financial we take your data protection seriously and will only use your data as discussed with you in our privacy statement.

However, from time to time we may wish to contact you in relation to other Life, pension & Investment products, updating you on offers, services and competitions that we provide that we feel may be of interest to you.

Agreed methods of contact

☐ Email

☐ Phone

☐ SMS

☐ Post

☐ Please do not contact me

Customer Signature ..... Date.....

\* Even if you do subscribe now you can always unsubscribe at any time.

## **Terms of Business – Effective Date: 1<sup>st</sup> September 2020**

### **Capital Financial Planning Ltd**

These Terms of Business set out the general terms under which our firm will provide business services to you and the respective duties and responsibility of both the firm and you in relation to such services. Please ensure that you read these terms thoroughly and if you have any queries, we will be happy to clarify them. If any material changes are made to these terms we will notify you.

### **Authorisation with the Central Bank of Ireland**

Capital Financial Planning Ltd T/A Capital Financial, Capital Insurance, is regulated by the Central Bank as an insurance intermediary registered under the European Union (Insurance Distribution) Regulations, 2018; as an Investment Intermediary authorised under the Investment Intermediaries Act, 1995 and as a Mortgage Credit Intermediary under the European Union (Consumer Mortgage Credit Agreements) Regulations 2016.

Copies of our regulatory authorisations are available on request. The Central Bank holds registers of regulated firms. You may contact the Central Bank on 1890 777 777 or alternatively visit their website at [www.centralbank.ie](http://www.centralbank.ie) to verify our credentials.

### **Codes of Conduct**

Capital Financial Planning Ltd is subject to the Consumer Protection Code, Minimum Competency Code and Fitness & Probity Standards which offer protection to consumers. These Codes can be found on the Central Bank's website [www.centralbank.ie](http://www.centralbank.ie).

### **Our Services**

Capital Financial Planning Ltd is a member of Brokers Ireland. As a member of Brokers Ireland we must be in a position to place insurance with at least five insurers of the relevant form (life/non-life) and therefore can generally give consumers greater choice than agents and tied agents.

Our principal business is to provide advice and arrange transactions on behalf of clients in relation to life & pensions, mortgages and non-life insurance products. A Full list of insurers and product producers with which we deal is available on request.

### **Insurance Intermediary Services/Mortgage Intermediary Services (except for Insurance based Investment Products (IBIPs))**

We act as an impartial Broker which means that:

- a) The principal regulated activities of the firm are provided on the basis of a fair and personal analysis of the market; and
- b) You have the option to pay in full for our services by means of a fee.



### **Fair and Personal Analysis**

The concept of fair and personal analysis is derived from the Insurance Distribution Regulations . It describes the extent of the choice of products and providers offered by an intermediary within a particular category of life assurance, and/or a specialist area. The number of contracts and providers considered must be sufficiently large to enable an intermediary to recommend a product that would be adequate to meet a client's needs.

The number of providers that constitutes 'sufficiently large' will vary depending on the number of providers operating in the market for a particular product or service and their relative importance in and share of that market. The extent of fair analysis must be such that could be reasonably expected of a professional conducting business, taking into account the accessibility of information and product placement to intermediaries and the cost of the search.

In order to ensure that the number of contracts and providers is sufficiently large to constitute a fair and personal analysis of the market, we will consider the following criteria:

- the needs of the customer,
- the size of the customer order,
- the number of providers in the market that deal with brokers,
- the market share of each of those providers,
- the number of relevant products available from each provider,
- the availability of information about the products,
- the quality of the product and service provided by the provider,
- cost, and
- any other relevant consideration.

### **Insurance based Investment Products**

We are remunerated by commission for the advice we provide on our insurance based investment products.

### **Life and Pensions/ Deposits & Life Wrapped Investments**

Capital Financial Planning Ltd provides life assurance and pensions on a fair and personal analysis basis i.e. providing services on the basis of a sufficiently large number of contracts and product producers available in the market to enable us to make a recommendation, in accordance with professional criteria, regarding which contract would be adequate to meet your needs.

We will provide assistance to you with any queries you may have in relation to the policies or in the event of a claim during the life of the policies and we will explain to you the various restrictions, conditions and exclusions attached to your policy. However, it is your responsibility to read the policy documents, literature and brochures to ensure that you understand the nature of the policy cover; particularly in relation to PHI and serious illness policies.

Specifically on the subject of permanent health insurance policies it is our policy to explain to you a) the meaning of disability as defined in the policy; b) the benefits available under the policy; c) the general exclusions that apply to the policy; and d) the reductions applied to the benefit where there are disability payments from other sources.

For a serious illness policy, we will explain clearly to you the restrictions, conditions and general exclusions that attach to that policy.

### **Non-Life**

Capital Financial offers Health Insurance and Accident, Sickness & Hospitalisation Plans, Medical Cash Plans & Personal Accident Plans on a limited analysis basis (providing services on the basis of a limited number of contracts and product producers available in the market), for whom we exclusively conduct insurance distribution business. We provide advice on the following product providers:

- Irish Life Health DAC
- Hive Insurance
- Decare Dental Ltd

In some ~~cases~~cases, we may be granted authority from an insurance undertaking to conduct tasks on their behalf, for which we will be remunerated. Where we place your business with this insurance undertaking under this authority you will be notified in advance of the placement. We will also offer assistance to you in relation to processing claims on policies taken out with us and in seeking renewal terms on your cover.

To ensure continuity of cover, where you have an existing policy which is due to expire and where we have been unable to contact you, we may put continuing cover in force whilst awaiting your instruction. You will be liable for any premiums payable to the relevant insurer for the period of time between renewals and when we receive your instruction. You have the right not to avail of this service.

### **Mortgages**

Through the lenders or other undertakings with which we hold an agency, Capital Financial Planning Limited can provide advice on and arrange mortgage products from the following range: fixed-rate loans, variable rate mortgages, capital & interest mortgages, **interest only mortgages**, **endowment mortgages**, pension mortgages and residential investment property.



We provide mortgage advice on a fair analysis basis (providing services on the basis of a sufficiently large number of contracts and product producers available in the market to enable the firm to make a recommendation, in accordance with professional criteria, regarding which contract would be adequate to meet your needs.

We will need to collect sufficient information from you before we can offer any advice on housing loans. This is due to the fact that a key issue in relation to mortgage advice is affordability. Such information should be produced promptly upon our request.

### **Statement of Charges**

We may earn our remuneration on the basis of fee, commission and any other type of remuneration, including an economic benefit of any kind offered or given with the insurance contract.

You may choose to pay in full for our services by means of a fee. Where we receive recurring commission, this forms part of the remuneration for initial advice provided. We reserve the right to charge additional fees if the number of hours relating to on-going advice/assistance exceeds 5 hrs.

In certain circumstances, it will be necessary to charge a fee for services provided. These are listed below. In other circumstances where fees are chargeable or where you choose to pay in full for our service by fee, we will notify you in writing in advance and agree the scale of fees to be charged if different from fees outlined below. Where it is not possible to provide the exact amount, we will provide you the method of calculation of the fee.

If we receive commission from a product provider, this may/will be offset against the fee which we will charge you. Where the commission is greater than the fee due, the commission may become the amount payable to the firm unless an arrangement to the contrary is made.

### **Life & Pensions**

You may elect to deal with us on a fee basis. Where this is the case, fees will be agreed in advance and in writing prior to the commencement of any service provided.

|      |                |               |
|------|----------------|---------------|
| e.g. | Directors:     | €350 per hour |
|      | Support Staff: | €250 per hour |

Additional fees may be payable for complex cases or to reflect value, specialist skills or urgency, our scale of fees for such cases range from a minimum of €250 per hour to a maximum of €350 per hour. We will notify you in advance and agree the scale of fees to be charged.

Capital Financial Planning Ltd reserves the right to charge a fund based commission of up to 0.5% on pension contracts under our management with a value of €50,000 or less. For pension contracts under management with a value more than €50,000, we reserve the right to charge a fund based commission of up to 0.25%.

### **Personal Retirement Savings Accounts (PRSAs) – Fees**

Where advice is requested for PRSAs, the following hourly fees may apply and will be agreed in advance and in writing prior to the commencement of any service provided.

Advisor fees: €350 per hour

Support Staff: €250 per hour

Additional fees may be payable for complex cases or to reflect value, specialist skills or urgency. We will notify you in advance of providing you with these services, our scale of fees for such cases range from a minimum of €250 per hour to a maximum of €350 per hour. If we receive commission from a product provider, this will be offset against the fee which we will charge you. Where the commission is greater than the fee due, the commission may become the amount payable to the intermediary unless an arrangement to the contrary is made.

### **Non-Life Remuneration**

Capital Financial Planning Ltd is remunerated by commission from insurers on completion of business. Details of this remuneration are available on request. Where an override commission is received, this will be disclosed to you in general terms.

### **Mortgages**

We may receive up to 1.0% of the loan for arranging mortgage finance. This commission is paid by the mortgage lender. The actual amount of commission will be disclosed at a later stage in the ESIS (European Standardised Information Sheet) which will be forwarded to you. Information on the variation in levels of commission payable by the different creditors providing credit agreements being offered is available on request.

We can charge a fee of €500 for advising on a mortgage application, this fee is non-refundable. This is not in any way an indication of mortgage/loan approval. Our fee will be notified to the lender who will include this fee into the calculation of the APRC (Annual Percentage Rate Charge).

Please note that lenders may charge specific fees in certain circumstances and if this applies, these fees will be specified in your Loan Offer. You have the right to pay a fee separately and not include it in the loan. Typically, this situation arises in relation to specialist lending.



If we provide mortgage advice and obtain a Loan Offer for you and you subsequently do not proceed with your mortgage application through our firm, we will charge you an arrangement fee of €1000 for our services.

### **Remuneration**

A summary of the details of all arrangements for any fee, commission, other reward or remuneration paid or provided to the intermediary which it has agreed with Insurers or product producers" is available on our website.

### **Regular Reviews**

It is in your best interests that you review, on a regular basis, the products which we have arranged for you. As your circumstances change, your needs will change. You must advise us of those changes and request a review of the relevant policy so that we can ensure that you are provided with up to date advice and products best suited to your needs. Failure to contact us in relation to changes in your circumstances or failure to request a review may result in you having insufficient insurance cover and/or inappropriate investments.

### **Disclosure of Information**

Please note it is your responsibility and duty to answer all questions honestly and with reasonable care in order to provide complete and accurate information to insurers when arranging an insurance policy. Any failure to disclose material information may invalidate your claim and render your policy void.

Please note it is essential to make full disclosure of relevant facts, including:

- a) your medical details or history; and b) any previous insurance claims made by you for the type of insurance sought.

Failure to disclose all information may result in:

- i) your policy being cancelled
- ii) claims not being paid
- iii) difficulty in trying to purchase insurance elsewhere
- iv) a breach of the terms and conditions attaching to any loan secured on property.

If you are ever in doubt about whether or not something needs to be disclosed, the safest course of action is disclose it.

### **Conflicts of interest**

It is the policy of our firm to avoid conflicts of interest in providing services to you. However, where an unavoidable conflict of interest arises, we will advise you of this in writing before providing you with any services. A full copy of our conflicts of interest policy is available on request.

**Default on payments by clients.**

Our firm will exercise its legal rights to receive payments due to it from clients (fees and insurance premiums) for services provided. In particular, without limitation of the generality of the foregoing, the firm will seek reimbursement for all payments made to insurers on behalf of clients where the firm has acted in good faith in renewing a policy of insurance for the client.

Product producers may withdraw benefits or cover in the event of default on payments due under policies of insurance or other products arranged for you. We would refer you to policy documents or product terms for the details of such provisions.

Mortgage Lenders may seek early repayment of a loan and interest if you default on your repayments. Your home is at risk if you do not maintain your agreed repayments.

**Complaints**

Whilst we are happy to receive verbal complaints, it would be preferable that any complaints are made in writing. We will acknowledge your complaint within 5 business days and we will fully investigate it. We shall investigate the complaint as swiftly as possible, and, the complainant will receive an update on the complaint at intervals of not greater than 20 business days starting from the date on which the complaint is made. On completion of our investigation, we will provide you with a written report of the outcome. In the event that you are still dissatisfied with our handling of or response to your complaint, you are entitled to refer the matter to the Financial Services & Pensions Ombudsman, Lincoln House, Lincoln Pl, Dublin 2, D02 VH29 Phone: (01) 567 7000 Email: [info@fspo.ie](mailto:info@fspo.ie)

A full copy of our complaints procedure is available on request.

**Data Protection**

We are subject to the requirements of the General Data Protection Regulation 2018 and the Irish Data Protection Act 2018.

Capital Financial is committed to protecting and respecting your privacy. We wish to be transparent on how we process your data and show you that we are accountable with the GDPR in relation to not only processing your data but ensuring you understand your rights as a client.

The data will be processed only in ways compatible with the purposes for which it was given and as outlined in our Data Privacy Notice, this will be given to all our clients at the time of data collection.

We will ensure that this Privacy Notice is easily assessable. Please refer to our website, [www.capitalfinancial.ie](http://www.capitalfinancial.ie), if this medium is not suitable we will ensure you can easily receive a hard copy.

Please contact us at [hello@capitalfinancial.ie](mailto:hello@capitalfinancial.ie) if you have any concerns about your personal data.



## **Compensation Scheme**

We are members of the Investor Compensation Scheme operated by the Investor Compensation Company Ltd. See below for details.

### **Investor Compensation Scheme**

The Investor Compensation Act, 1998 provides for the establishment of a compensation scheme and the payment, in certain circumstances, of compensation to certain clients (known as eligible investors) of authorised investment firms, as defined in that Act. The Investor Compensation Company Ltd (ICCL) was established under the 1998 Act to operate such a compensation scheme and our firm is a member of this scheme.

Compensation may be payable where money or investment instruments owed or belonging to clients and held, administered or managed by the firm cannot be returned to those clients for the time being and where there is no reasonably foreseeable opportunity of the firm being able to do so.

A right to compensation will arise only:

- If the client is an eligible investor as defined in the Act; and
- If it transpires that the firm is not in a position to return client money or investment instruments owned or belonging to the clients of the firm; and
- To the extent that the client's loss is recognised for the purposes of the Act.

Where an entitlement to compensation is established, the compensation payable will be the lesser of:

- 90% of the amount of the client's loss which is recognised for the purposes of the Investor Compensation Act, 1998; or
- Compensation of up to €20,000

For further information, contact the Investor Compensation Company Ltd at (01) 224 4955.

### **Broker Ireland Compensation Fund**

We are also members of the Brokers Ireland Compensation Fund. Subject to the rules of the scheme the liabilities of its members firms up to a maximum of €100,000 per client (or €250,000 in aggregate) may be discharged by the fund on its behalf if the member firm is unable to do so, where the above detailed Investor Compensation Scheme has failed to adequately compensate any client of the member. Further details are available on request.

## **Consumer Insurance Contract Act 2019**

Following the commencement of the Consumer Insurance Contract Act 2019, which was implemented to protect consumers, there is important information that you should be aware of and we are bringing to your attention for policies of Insurance effective after 1st September 2020. There are obligations on you as the consumer and duties that you must fulfil at the various stages of the process of arranging and renewing your Insurance policy.

So please read the following information very carefully and if you have any questions please ask a member of our staff.

### New Business & Renewal

A consumer may cancel a contract of insurance, by giving notice in writing to the insurer, within working 14 days after the date the consumer was informed that the contract is concluded. The insurer cannot impose any costs on the consumer other than the cost of the premium for the period of cover.

The consumer is under a duty to pay their premium within a reasonable time, or otherwise in accordance with the terms of the contract of insurance.

A court of competent jurisdiction can reduce the pay-out to the consumer where they are in breach of their duties under the Act, in proportion to the breach involved.

### Post-Contract Stage and Claims

An insurer may refuse a claim made by a consumer under a contract of insurance where there is a change in the risk insured, including as described in an "alteration of risk" clause, and the circumstances have so changed that it has effectively changed the risk to one which the insurer has not agreed to cover.

Any clause in a contract of insurance that refers to a "material change" will be interpreted as being a change that takes the risk outside what was in the reasonable contemplation of the contracting parties when the contract was concluded.

The consumer must cooperate with the insurer in an investigation of insured events including responding to reasonable requests for information in an honest and reasonably careful manner and must notify the insurer of the occurrence of an insured event in a reasonable time.

The consumer must notify the insurer of a claim within a reasonable time, or otherwise in accordance with the terms of the contract of insurance.

If the consumer becomes aware after a claim is made of information that would either support or prejudice the claim, they are under a duty to disclose it. (The insurer is under the same duty).

If the consumer makes a false or misleading claim in any material respect (and knows it to be false or misleading or consciously disregards whether it is) the insurer is entitled to refuse to pay and to terminate the contract.

Where an insurer becomes aware that a consumer has made a fraudulent claim, they must notify the consumer advising that they are avoiding the contract of insurance. It will be treated as being terminated from the date of the submission of the fraudulent claim. The insurer may refuse all liability in respect of any claim made after the date of the fraudulent act, and the insurer is under no obligation to return any of the premiums paid under the contract.