



Irish Mortgage Brokers

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Terms of Business for MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers.

This document sets out the general terms under which our firm will provide services to you and the respective duties and responsibilities of both the firm and you in relation to same. 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. These terms will apply to all transactions undertaken for you or services provide to you now and into the future. If anything changes we will inform you.

Authorisation with the Central Bank of Ireland

MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers is regulated by the Central Bank of Ireland (C34420) as a mortgage credit intermediaries under the European Union (consumer mortgage credit agreements) regulations 2016, , as an insurance intermediary under the European Unions (insurance distribution) Regulations 2018, a mortgage intermediary under the consumer credit act 1995, an insurance/reinsurance intermediary under the European Communities (insurance mediation) regulations 2005, and as an investment business firm under section 10 of the investment intermediaries act 1995.

Copies of our regulatory authorisations are available on request & the Central Bank of Ireland holds registers of regulated firms. You may contact the Central Bank of Ireland on **1890 777 777** or alternatively visit their website at www.centralbank.ie to check us out.

Codes of Conduct

MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers 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

Our Services

MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers provides people with financial services including advice and arrangement of mortgages, insurances, savings, investment, retirement/pensions and financial advice. We are members of *Brokers Ireland* as a member of *Brokers Ireland* we must be able to place insurance with at least five insurers of the relevant form (life/non-life) and therefore can generally give consumers greater choice than direct agents and tied agents. A full list of insurers, product producers and lending agencies with which we deal is available on request.

Insurance Intermediary Services/Mortgage Intermediary Services

MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers acts as an **Independent Broker** which means that:

- a) The principal regulated activities are provided on the basis of a *fair and personal analysis* of the market; we are not a tied agent for any of the activities we carry out on behalf of our clients.
and
- b) You have the option to pay in full for our services by means of a fee.



Fair Analysis

The concept of fair and personal analysis is derived from the Insurance Mediation Directive. It describes the extent of the choice of products and providers offered by an intermediary within a particular category of life assurance, general insurance, mortgages, 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 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.

Mortgages

Through the lenders or other undertakings with which we hold an agency, MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers 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, mixtures of any of these, pension mortgages and residential investment property.

MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers provides mortgage advice on a fair analysis basis (providing services on the basis of a sufficiently large number of contracts and product producers available on 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.

Life & Pensions/ Deposits & Life Wrapped Investments

MDC Mortgage Broker LTD t/a Irish Mortgage Brokers provides life assurance and pensions on a fair analysis basis i.e. providing services based on a sufficiently large number of contracts and



product producers available on 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 help 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

MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers provides general insurance on a limited analysis basis (providing services based on a limited number of contracts and product producers available on the market).

We provide advice on the following product providers:

- BHP Insurances
- Glennon Insurances

We will also help 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 renewal and when we receive your instruction. You have the right not to avail of this service.

Disclosure of Information

Any failure to disclose material information may invalidate your claim and render your policy or application void. MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers is remunerated by commission and other payments from product producers or lenders on the completion of business. 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 initially quoted hrs.

In certain circumstances, it will be necessary to charge a fee for services provided. These are listed below for mortgages, life, non-life business and Standard PRSAs. 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.



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 will become the amount payable to the firm unless an arrangement to the contrary is made.

We will help 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.

Investment Intermediary Services

MDC Mortgage Brokers t/a Irish Mortgage Brokers is remunerated by commission for investment intermediary services.

Fees – where you pay for our service on an hourly rate

You may elect to deal with us on a fee basis. If you wish to transact on a fee basis we will set out and agree the fee in advance, typical rates are as follows:

Principles / Directors €300 per hour
Senior Advisers €250 per hour
Associates €200 per hour
Support staff €100 per hour

Additional fees may be payable for complex cases or to reflect value, specialist skills or urgency. In the case of mortgages there may be fees for opening cases and obtaining loan offers, this is not to be confused with a 'fee paying arrangement' as that would be done on an hourly rate using the prices above for which you will receive a specific quote in advance.

Personal Retirement Savings Accounts (PRSAs)

Fees where advice is requested for PRSAs, the following hourly fees will apply:

Advisor fees: €150 – 200 per hour.
Support staff: €50 – 100 per hour.

Additional fees may be payable for complex cases or to reflect value, specialist skills or urgency. We will give an estimate of this rate in advance of providing you with services. If we receive commission from a product provider, this will be offset against the fee which we will charge you, or you can pay the fee in full and receive the commission as a refund (note: this can still result in a future liability to you if the commission is clawed back).

Where the commission is greater than the fee due, the commission will become the amount payable to the intermediary unless an arrangement to the contrary is made.



Non-Life Remuneration

MDC Mortgage Brokers t/a Irish Mortgage Brokers is remunerated by commission from insurers on completion of business. Details of this remuneration are available on request. We provide general insurance on a limited analysis basis (providing services based on a limited number of contracts and product producers available on the market).

We provide advice on the following product providers:

- Glennon's Insurances
- Blue Insurance

Mortgages

We may receive up to 1% (or whatever maximum is applicable) 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 are available on request.

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.

We charge a fee to begin work on your behalf, you will be notified of this in advance of the firm undertaking work on your behalf, typically it is staggered, on part due at the beginning and another if we succeed in obtaining a loan offer for you. This is NOT to be confused with 'fees on an hourly rate' mentioned above. This is an administrative fee and covers the up-front costs of negotiating a loan on your behalf, the income we earn is primarily through mortgage commissions which we are paid a month after you draw your loan.

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 recoupment fee for work done which is not proceeding of €1,000 for our services.

If you pay off your mortgage or re-mortgage to a different lender at any stage which results in a 'clawback' (where the commission, we receive is taken back in full or in part by the lender) you undertake to pay this sum within 28 days of notification to MDC Mortgage Brokers t/a Irish Mortgage Brokers. Clawbacks are typically a sum that reduces over time, but they can be utilized for up to five years (with three years being the industry standard).

We will inform you of the amount due should this situation arise. If you utilise our services in re-mortgaging or attaining a new mortgage within this clawback period then any new commission will likely cover this in full or in part, but we will give you precise figures at that time, so you know in advance. Please note: this should not be interpreted as an obligation to do any further loans through the firm.

Deposits

MDC Mortgage Brokers t/a Irish Mortgage Brokers provides deposits on a limited analysis basis (providing services on the basis of a limited number of contracts and product producers available on the market).

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.

Ongoing suitability of investments assessments

The firm *does not* include ongoing suitability assessments.

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 service. We will issue you with our conflicts of interest policy and process.

Default on payments by clients

Our firm will exercise its legal rights to receive payments due to it from clients (fees, premiums, refunds of clawbacks etc) for services provided.

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

We ask that you make any complaint against our firm, relating to services provided by us, in writing. We will acknowledge your complaint within 5 business days and we will fully investigate it. You will receive updates at intervals of no more than 20 business days from date the complaint is made, the duration of the complaint will last no more than 40 working days, should it be expected to take longer you will be informed of this. On completion of our investigation, we will provide you with a written report of the outcome within 5 working days. If you are still dissatisfied with our handling of or response to your complaint, you are entitled to refer the matter to the Financial Services and Pensions Ombudsman (FSPO). A full copy of our complaints procedure is available on request.

Data Protection

MDC Mortgage Brokers LTD t/a Irish Mortgage Brokers complies with the requirements of the the General Data Protection Regulation 2018 and the Irish Data Protection Act 2018.

The data which you provide to us will be held on a computer database and paper files for the purpose of offering advice and arranging transactions on your behalf. The data will be processed only in ways compatible with the purposes for which it was given. We would also like to keep you informed of mortgage, insurance, investment and any other services provided by us or associated companies with which we have a formal business arrangement; which we think may be of interest to you.

We would like to contact you by way of letter, email or telephone call. If you do not wish to receive such contact, please inform us of this. Our privacy policy is available on our homepage at www.mortgagebrokers.ie



Investor Compensation Scheme

We are members of the Investor Compensation Scheme operated by the Investor Compensation Company Ltd. 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, 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.

Brokers 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.

Client Acknowledgement:

I (the undersigned) acknowledge and confirm that I have been provided with a copy of these Terms Of Business of MDC Mortgage Brokers LTD trading as 'Irish Mortgage Brokers' and that I/we have read and understand them

Broker Authority and costs contract

I / We confirm our instruction to research new mortgage arrangements and/or insurance/ pension/ investment products on my/our behalf. I/We understand that the agent does not guarantee me/us access to the lowest cost mortgage or insurance/ pension/ investment product in the market. The mortgage options and or insurance/ pension/ investment product options made available to me / us will be based on my / our circumstances and individual lender or product provider criteria.

I / We undertake to make available all appropriate documentation as required by Irish Mortgage Brokers or the lender. I / We confirm that we are fully aware that

- There may be a fee charged by the broker for their services **as stated below**
- All fees should be made payable to Irish Mortgage Brokers.



- The valuation fee is due in advance of a valuation being carried out and will not be refunded once the valuation has taken place without exception.
- An arrangement fee may be charged by the lender, this is not remuneration for Irish Mortgage Brokers but a direct fee payable to the lender.

I / We understand that if we do not proceed with any mortgage arrangement with Irish Mortgage Brokers, before the loan offer has expired (see note below), that if Irish Mortgage Brokers have obtained a loan offer on my / our behalf that a fee of €1000 will be applicable for the works carried out on my/our behalf. Any costs associated with the collection of this fee will be additional and you will be provided with an invoice giving evidence of this additional amount.

Also, in the event of not concluding the arrangement after any cost has been incurred by the broker on my/our behalf, I confirm that we personally and promptly will refund same to the broker (i.e.: any other fees or costs). It is at Irish Mortgage Brokers discretion in this eventuality to waive these costs. All fees are payable either as soon as you inform us that you are not proceeding, or on expiry of the loan offer, whichever is earlier.

I also agree that because Irish Mortgage Brokers are reliant in part upon the commission they receive by transacting on my behalf and that in the future should I change, cancel, redeem or withdraw any loan or policy and if as a result of this they incur a claw-back or any monetary loss that I/we undertake to reimburse them the full amount of any commission or sum which they may lose or should have been due as a result of this within 28 days of receiving notice of same. As well as any costs incurred by Irish Mortgage Brokers in the collection of same. In the pursuit of fees or other charges due we may vouch to have other parties pursue this debt on my/our behalf with full legal right to the amounts due, which will not affect our right to the sum.

I/We confirm that we have been made fully aware of all the costs associated with this transaction and fully understand same.

Valuation Fee: € _____

Admin costs: € _____

Total: € _____

Client Name/s: _____

Date: ____ / ____ / **20** _____

WARNING: YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP PAYMENTS ON A MORTGAGE OR ANY OTHER LOAN SECURED ON IT.