

Advocate Financial Services - Terms of Business

Effective as of 1st July 2021



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Sylvia Campion, Micheál Kelly and Patrick Feely trading as Advocate Financial Services are regulated by the Central Bank of Ireland.

These Terms of Business set out the general terms under which our firm will provide business services to you and the respective duties and responsibilities 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

Sylvia Campion, Micheál Kelly and Patrick Feely trading as Advocate Financial Services (hereinafter referred to as Advocate Financial Services) (CB29891) are regulated by the Central Bank of Ireland as an Insurance Intermediary registered under the European Union (Insurance Distribution) Regulations 2018: as an Investment Intermediary authorised under 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 verify our credentials.

Codes of Conduct

Advocate Financial Services 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

Advocate Financial Services is a member of Brokers Ireland. Our principal business is to provide advice and arrange transactions on behalf of clients in relation to life, pension, investment, and general insurance products. A full list of insurers and product producers with which we deal is available on request.

Insurance Intermediary Services

The principal regulated activities of the firm are provided on the basis of a fair and personal analysis of the market.

Fair and Personal 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 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.

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.

Sustainability Factors

When providing advice, the firm considers the adverse impact of investment decisions on sustainability. As part of our research and assessment of products, the firm will examine the Product Providers literature to compare financial products and to make informed decisions about ESG products. The firm will, at all times act in the client's best interests and keep clients informed accordingly. The consideration of sustainability risks can impact on the returns of financial products.

Investment Intermediary Services

We are remunerated by commission for our investment intermediary services.

Insurance based Investment Products

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

Life & Pensions/Deposits & Investments

Advocate Financial Services provide life assurance, pension and investment products 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 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 provide assistance to you for 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 (Income Protection) 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

Advocate Financial Services can provide advice on and arrange products for household insurance. Advocate Financial Services provides general insurance on a limited analysis basis (providing services on the basis of a limited number of contracts within the market).

We provide advice on the following product providers:

- Aviva Insurance
- Allianz Insurance
- Zurich Insurance

In some 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 between renewal and when we receive your instruction. You have the right not to avail of this service.

Statement of Charges

Advocate Financial Services is remunerated by commission and other payments from product producers 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 4 hours.

A summary of the details of all arrangements for any fee, commission, other reward, or remuneration paid or provided to us which we have agreed with product providers is available in our office or on our website – www.advocatefinancial.ie

In certain circumstances, it will be necessary to charge a fee for services provided. These are listed below for 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. 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 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 & Life Wrapped Investment Fees

You may elect to deal with us on a fee basis and the minimum rates applicable are outlined below as per Scale of Fees Document:

Principal @ €250 per hour

Support staff @ €50 per hour

Additional fees may be payable for complex cases or to reflect value, specialist skills or urgency. We also reserve the right to charge a Fund Based Renewal Commission (FBRC) of up to 1% of Funds Under Management (FUM) where we will be providing ongoing service, advice and valuations as required.

Personal Retirement Savings Accounts (PRSAs) – Fees

Where advice is requested for PRSAs, the following hourly fees will apply as per Scale of Fees Document:

Principal @ €250 per hour

Support staff @ €50 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. 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/General Insurance Remuneration

Advocate Financial Services may be remunerated by commission from insurers on completion of business. Details of the commission arrangements are available on our website. Where an override commission is received, this will be disclosed to you in general terms.

Other fees that may apply are as outlined below:

Brokerage fee:

Up to €75

Cancellation or Mid Term Alteration fee:

Up to €40

We will inform you of the amount of fee to be charged. Where it is not possible to provide the exact amount, we will provide you the method of calculation of the fee.

Ongoing Suitability

Investments

The firm's services does not include ongoing suitability assessments.

Insurance based Investment Products

We will provide periodic assessments of the suitability of the insurance-based investment product which we have recommended to you.

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, may result in you having insufficient insurance cover and/or inappropriate investments.

Disclosure of Information

It is your responsibility to provide complete and accurate information for Insurers when arranging an insurance policy. Any failure to disclose material information may invalidate your insurance claim and render your insurance policy void. Please note it is essential to make full disclosure of relevant facts, including where relevant:

- 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 something needs to be disclosed, the safest course of action is to 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 service. 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.

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 in writing 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 and Pensions Ombudsman (FSPO). A full copy of our complaints procedure is available on request.

Data Protection

Advocate Financial Services is subject to the requirements of the General Data Protection Regulation 2018 and the Irish Data Protection Act 2018.

Advocate Financial Services 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.advocatefinancial.ie), if this medium is not suitable, we will ensure you can easily receive a copy by hard copy, telephonic environment. (pre-recorded).

Please contact us at info@advocatefinancial.ie if you have any concerns about your personal data.

New Business & Renewal

- You may cancel a contract of insurance, by giving notice in writing to the insurer, within 14 working days after the date you were informed that the contract is concluded. This does not affect the notice periods already provided for under European Union (Insurance and Reinsurance) Regulations 2015 (**S.I. No. 485 of 2015**) or the European Communities (Distance Marketing of Consumer Financial Services) Regulations 2004 (**S.I. No. 853 of 2004**) which is 30 days in respect of life policies, irrespective of whether the sale took place on a non-face to face basis, and 14 days in respect of general policies only on sales that took place on a non-face to face basis (distance sales)
- The giving of notice of cancellation by you will have the effect of releasing you from any further obligation arising from the contract of insurance. The insurer cannot impose any costs on you other than the cost of the premium for the period of cover.
- This right to cancel does not apply where, in respect of life assurance, the contract is for a duration of six months or less, or in respect of general insurance, the duration of the contract is less than one month.
- You are under a duty to pay your 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 you if you are in breach of your duties under the Act, in proportion to the breach involved.

Post-Contract Stage and Claims

- An insurer may refuse a claim made by you 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.
- You 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.
- You must notify the insurer of a claim within a reasonable time, or otherwise in accordance with the terms of the contract of insurance.

- If you become aware after a claim is made, of information that would either support or prejudice the claim, you are under a duty to disclose it (The insurer is under the same duty)
- If you make a false or misleading claim in any material respect (and know 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.
- When an insurer becomes aware that a consumer has made a fraudulent claim, they may notify the consumer advising that they are voiding the contract of insurance, and it will be treated as being terminated from the date of 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.

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.

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.