

TERMS OF BUSINESS OF METROPOLITAN FINANCE

These Terms of Business set out the basis on which Metropolitan Finance will provide business services to you as an individual private client of the firm. Please take a few minutes to read through these and if you have any questions please refer to this office for clarification.

Metropolitan Finance has three Branches: Farney Street, Carrickmacross, Co. Monaghan - 6 Jocelyn Street, Dundalk, Co. Louth – 3 Canal Street, Monaghan, Co. Monaghan. Our contact telephone number is 1890 66 66 66. Our e-mail address is info@metropolitanfinance.ie and our main fax number is 00353 47 72068.

Jane Myles T/A Metropolitan Finance is regulated by The Financial Regulator. Metropolitan Finance is a Life Insurance, General Insurance & Mortgage Brokerage and is a member of the Professional Insurance Brokers Association (PIBA) and IBA.

A list of the product producers from whom the firm holds written letters of appointment is attached at Appendix 1.

In relation to products provided by the product producers listed in Appendix 1, the services which the firm is authorised to provide are:

1. advising you in relation to the nature of each of the products
2. advising you as to which product is suitable for your needs;
3. Receiving and transmitting orders on your behalf for a product(s).

Life & Pensions

Life Assurance companies provide products such as life cover, serious illness cover, income protection, savings, investments and pensions. Depending on your individual circumstances, we may provide you with advice and arrange policies on your behalf. You may, however, have particular areas of interest and, in this case, we will be happy to give more detailed advice in these areas. With your agreement, we may review the policies you take out on a periodic basis to ensure that you are kept informed as to their benefit and to check whether they are still suitable for your needs. We will also 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.

Personal Retirement Savings Accounts (PRSAs)

PRSAs are available in two forms – Standard PRSAs with capped charges and Non Standard PRSAs. If you would like us to advise you on PRSAs or arrange a PRSA for you we will charge you a fee commensurate with the work completed (see commissions and charges below).

Non-Life

We provide services through the agencies listed in this document in relation to the following non-life insurance products: household, motor, commercial, public liability and employer liability (and any other products available through those agencies). Depending on your instruction, we can give advice in relation to the products and receive and transmit orders on your behalf to those institutions. 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.

Important notice: 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.

Mortgages

We provide advice in relation to mortgages and can arrange mortgage lending with those mortgage lenders with whom we have an agency as listed in Appendix 2.

Commission and Charges

Metropolitan Finance is remunerated by commission and other payments from the completion of business with the product producers listed in Appendix 1 in certain circumstances, it will be necessary to charge a fee for services provided. These are listed below for non-life business and Standard PRSAs. In other circumstances where fees are chargeable, we will notify you in advance.

Life Fees (optional)

You may elect to deal with us on a fee basis.

Advisor fees: €200 - €300 per hour.

Support staff: €60 - €100 per hour

Additional fees may be payable for complex cases or to reflect value, specialist skills or urgency.

A typical life and pensions case will take 10-20 hours of advisor time.

Personal Retirement Savings Accounts (PRSA's) - Fees

Where advice is requested for PRSA's, the following hourly fees will apply:

Advisor fees: €200 - 300 per hour.

Support staff: €60 - €100 per hour

Handling of premiums (i.e. forwarding premiums due to the Provider) incurs a standard fee of €50

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 may be offset against the fee which we will charge you.

Non-Life Fees

Brokerage fee €50

(Charged on renewal notifications and on each follow up necessitated)

Premium handling €50

Rebate premium All rebate premiums handled through these offices will be refunded in full to you. If there is an administration charge associated with this rebate it will be invoiced to you separately and it will never exceed €25.

Switch/alteration mid term €50

Claims handling Depending on case

These fees are reviewed annually and an updated list is available on request.

Mortgages – Fees We are paid up to 1% (or whatever maximum is applicable) of the loan for arranging mortgage finance. This commission is paid by the mortgage lender.

Clawbacks are applied by some lenders if mortgages are redeemed within certain specified times (usually the first three years, sometimes up to 5 years). Metropolitan Finance reserves the right to charge this clawback fee directly to the client. Alternatively Metropolitan Finance reserves the right in such instances to make a charge of one percent (or €1500 minimum) on the next case processed for clients in such circumstances. In any instance where a mortgage case does not proceed through Metropolitan Finance and more than one hour has been spent in time on said case, Metropolitan Finance reserves the right to charge up to 1% of the mortgage amount involved or €500 minimum to the applicant/s.

Non-prime lending i.e. cases where the applicants have bad credit rating, arrears, judgments etc are subject to a minimum administration charge of €1000 (this fee will be reviewed annually, review figures are available from Metropolitan Finance on request).

Additional & Top Up Mortgages - €500 per case

Overseas Mortgage applications are subject to an upfront non-refundable administration fee of €1000.00.

This is the administration fee charged by Metropolitan Finance and is in addition to any fees that might be charged by the providers of the finance, valuation fees etc

All valuation fees collected from clients are inclusive of our administration charges. The entire fee is payable to Metropolitan Finance. The administration charge is unlikely to be in excess of €100. In the event of a mortgage not proceeding if the valuation fee is held by Metropolitan Finance we reserve the right to keep this fee to cover some of our costs in handling the case in addition to any other fee charged. In the event of a case not progressing Metropolitan Finance reserves the right to charge for all work completed on the case. A breakdown of the cost will be provided.

Commercial Mortgages: A charge of one percent is charged by Metropolitan Finance (or minimum €1500K) in addition to any commissions etc paid to the firm for all such cases. This fee is payable up front prior to commencement of work unless alternative is agreed in writing with Metropolitan Finance.

Conflicts of interest - It is the policy of our firm to avoid conflicts of interest in providing you with insurance and investment business services. If this is not possible, we will notify you as soon as is practicable after we become aware of the conflict of interest and you may rest assured that you will be treated fairly where such a conflict is unavoidable.

Default on payments by clients - Our firm will exercise its legal rights to receive payments due to it from clients for business 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. Insurers and other 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 - We ask that you make any complaint against our firm relating to investment business services provided by us in writing. We will acknowledge your complaint within 5 days and we will fully investigate it.

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

Section 30 Receipts – If you make a payment through Metropolitan Finance to a product provider of that firm (Life & General) for any premium or product you are entitled to receive a Section 30 receipt (even if a cheque/draft is made payable to the provider) In the unlikely event of any staff member not providing such a receipt please notify Jane Myles (Metropolitan -Monaghan) of such an oversight.

Credit Bureau Checks: In most instances when an application for any type of loan facility is submitted to a financial institution a credit Bureau check is carried out by the institution concerned on the applicant/s. On rare occasions a financial institution will carry out this check but not request this signed consent until after approval in principle as they will accept out confirmation that clients are aware of this fact – please be aware of this fact..

Compensation Scheme - We are members of the Investor Compensation Scheme operated by the Investor Compensation Company Ltd. – see Appendix 1 for details.

Appendix 1.

Product providers from which Metropolitan Finance holds written letters of appointment.

Product Providers (Appointments)	
Irish Life Assurance plc.	AVIVA (Life) Ltd
Canada Life Assurance (Irl) Ltd	Friends First Life Assurance Co Ltd
Standard Life Assurance Co Ltd	New Ireland Assurance
Zurich Ltd	Oregan Financial Ltd
McDonald Dwyer Reddy Insurances Ltd	Adviser Plus
Caledonian Life	KBC Investments
Assurant Intermediary Ltd	AVIVA (General) Ltd
ACC Bank	AVIVA (Health) Ltd
Irish Nationwide Building Society	April Insurety (Ireland) Ltd
PIBA Mortgage Services Ltd	BOI Commercial Banking
Seniors Finance Ireland Ltd (SHIP)	Quinn Insurance
ICS Building Society	Irish Life and Permanent Deposits
KBC Homeloans	IFG Investment and Mortgage Services Ltd
Irish Life & Permanent plc (PTSB)	Assurant Services Ireland Ltd
Seniors Money Ireland Ltd	

Investor Compensation Act, 1998.

Under Section 38 (1) of the Investor Compensation Act, 1998 I wish to draw your attention to the following:

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;

Metropolitan Finance is a member of the compensation scheme;

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

A right to compensation will arise only:

1. If the client is an eligible investor as defined in the Act:

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2. If it transpires that my firm is not in a position to return client money or investment instruments owned or belonging to the clients of the firm.
3. 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:

1. 90 per cent of the amount of the client's loss which is recognised for the purposes of the Investor Compensation Act, 1988;

Or

Compensation of up to €20,000.