

## Terms of Business

These terms of business set out the basis on which we will provide advisory portfolio services, associated financial services and advice to you. These terms of business are valid from 1st October 2013 until further notice.

Please ensure that you read these terms thoroughly. If you have any queries, please feel free to contact us and we will endeavour to clarify matters for you.

Henry Crummy Insurance Ltd trading as Efficient Financial has offices at:

Address: **14 Fitzwilliam Square, Dublin 2**  
 Phone number: +353 (0)1 632 5010  
 Fax number: +353 (0)1 661 966  
 E-mail address: [john.traynor@efficientfinancial.ie](mailto:john.traynor@efficientfinancial.ie)  
 Web site: [www.efficientfinancial.ie](http://www.efficientfinancial.ie)

Address: **4 St. Mary's Road, Arklow, Co Wicklow**  
 Phone number: +353 (0)402 32629  
 Fax number: +353 (0)402 91772  
 E-mail address: [harry.crummy@efficientfinancial.ie](mailto:harry.crummy@efficientfinancial.ie)  
 Web site: [www.efficientfinancial.ie](http://www.efficientfinancial.ie)

**Regulatory Status** – Henry Crummy Insurances Ltd trading as Efficient Financial is regulated by the Central Bank of Ireland under the Investment Intermediaries Act 1995. As an Authorised Adviser, we will provide advice on the basis of a fair analysis of the whole marketplace for financial products. Efficient Financial can receive and transmit orders on your behalf for products from any of the product providers from which Efficient Financial holds a written letter of appointment. Efficient Financial has access to a wide range of product providers operating in the Irish market as well as internationally (see Appendix 1).

Our Authorised Status reference number is 1448.

We are authorised to provide investment advice on a broad basis. Included in the advice offered are the following regulated activities:

- Units or Shares in undertakings for collective investment schemes including unit trusts and UCITS
- Tracker Bonds
- Insurance Policies
- Personal Retirement Savings Account (PRSA's)
- Deposit Broker

We are not a tied agent for any of the above services.

### Codes of Conduct

We must comply with these codes which offer protection to a consumer:

Consumer Protection Code – Efficient Financial is subject to The Central Bank's Consumer Protection Code which offers protection to consumers.

Efficient Financial is also subject to and complies with the Minimum Competency Code and the Fitness and Probity Standards as laid down by the Central Bank of Ireland. These codes can be found on the Central Bank website [www.centralbank.ie](http://www.centralbank.ie)  
 Financial Planning Standards Board (FPSB) – As CERTIFIED FINANCIAL PLANNER professionals, our advisers are subject to a Code of Ethics and Professional Conduct of the FPSB in Ireland. The code can be found on the FPSB website [www.fpsb.ie](http://www.fpsb.ie)

### Consumer Protection

We are members of the Investor Compensation Scheme established under the Investor Compensation Act, 1998. This legislation provides for the establishment of a compensation scheme and to the payment, in certain circumstances, of compensation to clients of firms covered by the Act. However, you should be aware that a right to compensation will only arise where money or investment instruments held by this firm on your behalf cannot be returned either for the time being or in the foreseeable future and where the client falls within the definition of eligible investor as set out in the Act. In the event that a right to compensation is established, the amount payable is the lesser of 90% of your loss which is recognised as being eligible for compensation or €20,000. Your legal rights are not affected by this scheme.

In addition to the above mentioned compensation we also hold Professional Indemnity Insurance.

### **Conflict of Interest**

It is our policy to avoid any conflicts of interest when providing business services to clients. However, where an unavoidable conflict may arise we will advise you before providing any such service. If you have not been advised of any conflict you may assume that none arises.

### **Complaints**

We have written procedures in place for the effective consideration and handling of complaints. Any complaint that you may have in relation to any products should be addressed to the Compliance Officer, Efficient Financial, 4 St. Mary's Road, Arklow, Co Wicklow. Phone number: +353 (0)402 32629. Each complaint will be acknowledged by us within 5 working days of receipt, updates will be advised in intervals of not more than 20 working days, we will endeavour to resolve the complaint within 40 business days and findings will be furnished to you within 5 working days of completion of the investigation. If you are dissatisfied with our handling of the complaint or our response to it you may refer the issue to the Financial Services Ombudsman or the Pensions Ombudsman as appropriate.

### **Product Suitability**

The suitability of all financial products depends on many factors and we undertake to use our experience and expertise in considering all relevant factors before recommending any product to you. We will provide advice to you in the areas authorised. In order for us to fully assess your financial needs it is important that you provide all information we request from you. If you do not do so the advice we provide may not be as suitable had the full information been provided. Before purchasing any product you will be advised of the product's suitability and given a statement of reasons why, in our opinion, the product is suitable for your needs. All advice given will be based on our understanding of current law and Revenue practice. It may be that subsequent changes might affect the recommendations that have been made and these may need to be reviewed as a result. You may wish to contact us for a further financial review in that event.

### **Handling Money, Receipts and Business Processing, Premium Handling**

Payments should be made in favour of the provider of the product and not to us. We will issue a receipt for each payment received. Your application to a product provider will be submitted to it provided we have received all necessary documentation required to evidence compliance with regulatory requirements. Efficient Financial does not hold client funds. Efficient Financial does not handle client premiums.

### **Your Duty of Disclosure to Insurers and Duty of Utmost Good Faith**

The law in the Republic Of Ireland deems insurance to be a special class of contract which imposes onerous duties upon prospective Insured's and their agents, who are obliged to act with utmost good faith towards Insurers at all times. In addition they are obliged to disclose to Insurers, before the contract is concluded, all material information that is known to them.

If there is any breach of these duties the Insurers will be entitled to cancel the policy of insurance from inception, if the breach induced the making of the contract on the relevant terms, as well as seeking the recovery of all claims already paid under the policy. These duties of utmost good faith and disclosure also apply to the claims process. In completing a proposal form or claim form or other documentation relating to an insurance policy, the accuracy of all answers, statements and / or information is your sole responsibility.

### **Claims**

Claims should be advised to the insurer when the claim arises. The insurer will advise you of its claims requirements and provide you with a copy of its claims process on request. If you experience any difficulty with the insurer's claims process you should contact us.

### **Product Provider Security**

We seek insurance and investment contracts for you from Institutions with which we hold a written appointment and from which we consider offer an appropriate product to meet the needs identified. We cannot and do not guarantee the solvency or continuing solvency of any Institution used and you should note that the financial position of an Institution can change at any stage.

### **Financial Planning and Consultancy fees**

Financial Planning and consultancy fees are calculated on the basis of the time spent on the plan and the charging rate depends upon the complexity of the task and the seniority, qualifications, knowledge and experience of the individual advising or assisting you. Before commencing work you will be notified of the level of fees in your case.

Some fees are subject to VAT where appropriate. At your request, we will provide an estimate of the likely fee in advance of carrying out any chargeable work. Full details of our fees are available on request.

### **Pension and investment portfolio fees**

A table of fees can be found in Appendix 2.

We reserve the right to amend all fees should the complexity of the work require a higher fee. We will confirm and agree this fee with you prior to any increased charge being applied.

Insurance and risk management policy fees

We will arrange contracts of Insurance on the basis of commissions payable to us unless you advise that you wish to pay by an hourly fee instead. If you elect to pay by a fee you must advise us of your intention to do so prior to us commencing work on arranging a policy for you. This fee will be agreed with you before work commences.

If you elect to pay by commission, the total fee payable by you will not exceed the amount of commission received by us. However, we reserve the right to charge an application fee at our absolute discretion if the policy for insurance is not issued by the product provider.

Alternatively, you may elect to pay by an hourly fee, fees charged will be abated to the extent of any commission which we receive from third parties in connection with any transactions arranged by us for you.. In the event of any work generating initial commissions above the level of the initial fee, these may be held on account in lieu of future annual fees. The maximum held in lieu will be the equivalent of 3 years annual fees. Please note that in some cases, the fee charged may be higher than the commission received in which case we will invoice you for the difference.

In the event of you defaulting on any payment of fees, we will, if necessary, exercise our legal rights to recover such monies due. Fees may be charged for advice given irrespective of whether a product is purchased by you.

If we have arranged for your fee to be offset by commissions derived from a life assurance policy, pension or investment that you subsequently cancel or cease to pay premiums, and in consequence we are obliged to refund commissions paid to us, we reserve the right to charge you a fee to reimburse us for the amount of commission refunded.

Commissions will be disclosed to you in accordance with the Consumer Protection Code.

### **Termination of your agreement**

You or we may terminate our authority to act on your behalf at any time, but the termination must be communicated in writing (to us the address shown below) and cannot be backdated. The termination will be without prejudice to the completion of any transactions already initiated and you remain responsible for the payment of any fees and expenses incurred up to the date of termination, or to the date of completion of any transactions in progress, whichever is the later.

### **Failure to pay or default on an Insurance Premium**

Your insurer may cancel your policy in certain circumstances including failure to pay premiums. These conditions are clearly set out in all policy documents.

### **Data Protection**

Any personal data (as defined under the Data Protection Acts, 1988 – 2003) and information provided to Efficient Financial will be collected and held on computer, and/or in printed form or otherwise, retained and processed (as defined under the Data Protection Acts, 1988-2003) by Efficient Financial for the purposes of providing financial advice to you.

Efficient Financial will keep your personal data confidential, but may disclose it to third parties where necessary for the purposes of providing the above service to you, including, inter alia, associated companies, financial institutions, your other advisers and other parties with whom Efficient Financial has contractual arrangements to provide financial products and ancillary and support services, and to regulatory and other governmental bodies where required by or under any enactment or rule of law or court order, including, inter alia, the Revenue Commissioners, the Financial Regulator and the Pensions Authority. You acknowledge that the personal data may contain Sensitive Personal Data (as defined under the Data Protection Acts, 1988 – 2003) and, therefore, unless you explicitly consent to the use of personal data in accordance with this clause, we will not be in a position to provide the above service to you.

You have the right to request a copy of the personal data which we hold about you and the right to rectify that personal data by writing to the Data Protection Officer.

### **Governing Law**

These Terms of Business shall be governed by and construed in all respects according to the laws of the Republic Of Ireland and are valid from May 2015 until further notice.

## **APPENDIX 1: Product providers**

We currently hold written appointments from the following Irish product providers:

Royal London, Canada Life Assurance (Ireland) Ltd, Friends First Life Assurance Company Limited, Irish Life Assurance Plc, New Ireland Assurance Company plc, The Source Pension and Investment Company, Standard Life Assurance Company, Zurich Life Assurance plc, Aviva Life, ITC, Wealth Options, BCP Asset Management, Portfolio Metrix, Conexim, Signature Trustee Services Ltd.

We currently hold written appointments from the following portfolio providers: Fermat Point Ltd and Davy Select, . Through Fermat Point Ltd we access Dimensional Fund Advisers, Sarasin & Partners, FXCM Securities, Royal Bank of Canada, Collins Stewart, and through their Stockbrokers a wide range of Exchange Traded Funds and other investments including but not limited to: Blackrock, Lyxor, Dbx Trackers, ETF Securities, Source, Proshares, Market Vectors, Claymore, Vanguard, Easy ETF.

## **APPENDIX 2: Fee Tariff and Remuneration**

### **Financial Planning Fees**

We will provide you with a quotation for the preparation of your Financial Plan once we have assessed your present position, financial goals and the complexity of your financial circumstances. Please note that an initial discovery meeting is available at our offices without obligation and at our expense.

Initial Financial Planning Fees will be due on presentation of our Financial Planning report and invoiced accordingly.

### **Implementation Fees**

We may charge an implementation fee of up to 5% for Pension and Investment portfolios depending on the size of the investment made. Fees reduce for larger investments and full details are available upon request.

Implementation fees will be due for settlement when the initial actions agreed have been completed. However, in the event of circumstances beyond our control resulting from third party delays, we will present an invoice on a pro-rata basis for work completed after 3 months and 6 months.

### **Review Fees**

We will keep the portfolio under review to afford the best chances of meeting your requirements. We will provide you with a summary valuation at least every twelve months. On an annual basis, we will confirm if there have been any changes in your objectives and recommend any changes to your portfolio as necessary. Annual fees will be charged on the basis of all cash and investments that are being used to satisfy your requirements as valued on a six monthly basis.

The annual fee covers the cost of the following work:

- Discussing any changes to your goals and objectives
- Providing access to ongoing advice and information as required
- Reviewing your asset allocation between cash, bonds, equities and alternative holdings in line with your objectives and attitude to investment risk
- Rebalancing of investment funds to maintain an appropriate asset allocation
- Providing a review meeting to update your financial plan

Annual review and portfolio rebalancing review 0.85% p.a. of the value of portfolio

Annual fees will be charged six monthly with the first payment being due six months after the completion of the implementation phase.

### **Consultancy**

Should additional work be required our typical hourly charges for consultancy are:

Head of Dept: €300 - €400 per hour	Paraplanner/Technical Support: €100 - €200 per hour
Adviser/Technical Specialist: €150 - €250 per hour	Personal Assistant/Business Co-ordinator: €50 - €100 per hour

### **Product Producers**

The Firm may receive commission and other payment from product producers to whom orders are transmitted. Details are included in any illustrations before an application for a product is completed. Details will also be included in your 'cooling off' notice.

**APPENDIX 3: Code of Ethics and Professional Responsibility**

**Principle 1 – Best interests of Clients**

Act in the best interest of clients.

Acting fairly, honestly and professionally in the best interests of the client is a hallmark of professionalism, requiring the financial planner to act honestly and not place personal gain or advantage before the client’s best interests.

**Principle 2 – Integrity**

Provide professional services with integrity.

Integrity requires honesty and candour in all professional matters. Financial planners are placed in positions of trust by clients, and the ultimate source of that trust is the financial planner’s personal integrity. Allowance can be made for legitimate differences of opinion, but integrity cannot co-exist with deceit or subordination of one’s principles. Integrity requires the financial planner to observe both the letter and the spirit of the Code of Ethics.

**Principle 3 – Objectivity**

Provide professional services objectively.

Objectivity requires intellectual honesty and impartiality. Regardless of the services delivered or the capacity in which a financial planner functions, objectivity requires financial planners to protect the integrity of their work, manage conflicts and exercise sound professional judgment.

**Principle 4 – Fairness**

Be fair and reasonable in all professional relationships. Disclose and manage conflicts of interest.

Fairness requires providing clients what they are due, owed or should expect from a professional relationship, and includes honesty and disclosure of conflicts of interest. It involves managing one’s own feelings, prejudices and desires to achieve a proper balance of interests. Fairness is treating others in the same manner that you would want to be treated.

**Principle 5 – Professionalism**

Act in a manner that demonstrates exemplary professional conduct.

Professionalism requires behaving with dignity and courtesy to clients, fellow professionals, and others in business-related activities, and complying with appropriate rules, regulations and professional requirements. Professionalism requires the financial planner, individually and in cooperation with peers, to enhance and maintain the profession’s public image and its ability to serve the public interest.

**Principle 6 – Competence**

Maintain the knowledge and skill necessary to provide professional services competently.

Competence requires attaining and maintaining an adequate level of knowledge, skills and abilities in the provision of professional services. Competence also includes the wisdom to recognise one’s own limitations and when consultation with other professionals is appropriate or referral to other professionals necessary. Competence requires the financial planner to make a continuing commitment to learning and professional improvement.

**Principle 7 – Confidentiality**

Protect the confidentiality of all client information.

Confidentiality requires client information to be maintained and protected in such a manner that allows access only to those who are authorised and legally entitled to access that information. A relationship of trust and confidence with the client can only be built on the understanding that the client’s information will not be disclosed inappropriately.

**Principle 8 – Diligence**

Provide professional services diligently.

Diligence requires providing services in a timely and thorough manner, and taking due care in planning, supervising, and delivering professional services.

**Customer Declaration / Data protection consent**

I / We acknowledge receipt of these terms. I/We have read, understand, and accept these terms.

I / We agree that Efficient Financial may contact me/us by phone, letter, email or other means.

I / We understand and agree to the use of personal data as described under Data Protection.



*Customer 1* \_\_\_\_\_

*Customer 2* \_\_\_\_\_

*Date* \_\_\_\_\_