

## TERMS OF BUSINESS, JUNE 2010

*MacCourt Financial Planning Ltd.* is an independent firm of financial consultants providing advice on Pensions, Investments, Deposits and Estate Planning. As independent brokers, we represent many of the major Life Assurance and Investment Companies. Deposits are also arranged with a number of banks and building societies.

We are regulated by the Financial Regulator and our clients are covered by the Investors Compensation Company. Nonetheless, it is not our practice to handle client funds and we request that all payments/cheques are made out directly to the financial institutions which we represent. We are members of the Irish Brokers Association (IBA) and of the Professional Insurance Brokers Association Ltd. (PIBA).

Using the most sophisticated software packages available in the marketplace, we can efficiently analyse our client requirements and offer the highest professional standards of reporting and advice.

An associate company, *MacCourt Trustees Ltd.*, was appointed as a pensioner trustee by the Revenue Commissioners in 1995 and has Revenue approval to operate Self Administered Pension Schemes.

MacCourt Financial Planning won the MoneyMate and Investor Magazine 2006 Pension and Investment Adviser of the Year Award.

### Background of Principal

*Gervase MacCourt, QFA FLIA*, Managing Director has over 30 years experience in the pensions and investment business. Prior to establishing MacCourt Financial Planning in 1991, he was an associate director with Coyle Hamilton Ltd., where he was responsible for pensions and investments from 1985. He previously worked for Caledonian Life from 1979.

Gervase is a Gold Medal Award winner for the LIA (Life Insurance Association) Examinations.

### Fund Managers Used:

Anglo Irish Assurance	Delta Index	Mercury Wealth Management
Appian Asset Management Ltd	Focus Investment Managers	Merrion Brokers
Aviva	Friends First	New Ireland
AXA Financial	Gold Investments	Newcourt Fund Managers
Bloxham Stockbrokers	Goodbody Stockbrokers	Phoenix Ireland
Bank of Ireland	Harvest Financial Services	Quilter
Bank of Scotland	Investec	Scottish Mutual Intl.
Caledonian Life	IIB Bank Ltd	Standard Life
Canada Life	Irish Life	Wealth Options Ltd.
Custom House Capital	Liberty Asset Management	Zurich
Davy Stockbrokers		

### Deposits Arranged through:

Anglo Irish Bank	Bank of Scotland Ireland Ltd	EBS
Investec Bank plc (Irish Branch)	Permanent TSB	RaboDirect

*MacCourt Financial Planning is not authorised under the Investment Intermediaries Act, 1995 for non-insurance investments to accept cash or other funds, or securities on behalf of clients, or to act on a discretionary basis in the management of client funds.*

## **Contact Details**

**MacCourt Financial Planning Ltd., 46 Lower Leeson Street , Dublin 2**

Tel: +.353.(0)1.6614800 Fax: +.353.(0)1.6614878  
Email: [info@maccourt.ie](mailto:info@maccourt.ie) Web: [www.maccourt.ie](http://www.maccourt.ie)

## **Authorised Status**

*MacCourt Financial Planning Ltd.* is regulated by the Financial Regulator as an Authorised Advisor under the Investments Intermediaries Act, 1995 and as an insurance intermediary registered under the European Communities (Insurance Mediation) Regulations, 2005. The Financial Regulator holds registers of regulated firms. You may contact the Financial Regulator on telephone number 01 4104000 or alternatively you may visit their website on [www.financialregulator.ie](http://www.financialregulator.ie) to verify our credentials.

This firm does not have any "tied" relationships with any institution that would compromise our ability to offer you independent advice and choice.

***MacCourt Financial Planning Ltd.* is authorised to provide the following services:**

- Offer broad based advice in relation to all classes of life assurance products (pensions, savings, investment and life assurance policies).
- Receive and transmit orders on your behalf for a product (s) to one or more of the Product Producers listed in the terms of business.

## **Reviews**

At our clients request we will review products purchased through or transferred to our agency.

## **Remuneration Policy**

MacCourt Financial Planning Ltd. are largely fee based advisors, details of rates etc. are attached. If this structure does not suit in a particular circumstance, the client may wish to transact business on a commission basis. In certain circumstances, including initial consultations where no / insufficient business results, an additional consultancy / administration charge may apply at the rate per hour charged for fee based advice for the provision of broad based advice regarding life, pensions and investments. Fees are charged on a time spent and disbursements basis. In determining the rate and any additional charges, factors such as specialist skills, complexity, value, risk and urgency will be taken into account.

If we arrange a product for you with a Product Producer, with whom the firm holds an agency appointment, the fee charge may be offset against commission payable by the Product Producer.

Where the commission payable by the Product Producer is greater than the fee charge, the balance will be retained by the firm and where the commission payable is less than the fee charge the balance will be payable by the client.

Occasionally we receive volume override commissions which are not identifiable against each client individually. These override commissions are not credited to individual fee accounts, however they only amount to approximately 2.5% of overall turnover.

[www.maccourt.ie](http://www.maccourt.ie)

### **Conflict of Interest and Complaints**

- It is the policy of the firm to avoid any conflict of interest when providing business services to its clients. However, where an unavoidable conflict may arise we will advise you of this in writing before providing any business service. If you have not been advised of any such conflict you may assume that none arises.
- This firm has a written procedure in place for the effective consideration and handling of complaints. This procedure ensures that complaints will be recorded and written complaints acknowledged in writing within 5 business days. All complaints will be fully investigated and the outcome of the investigation will be communicated to the person who raised the complaint.

In the event that you remain dissatisfied with the firm's handling of and response to your complaint contact may be made with the Financial Regulator, PO Box 559 Dame Street, Dublin 2. and / or the Irish Brokers Association, 87 Merrion Square, Dublin 2 or and of the Professional Insurance Brokers Association Ltd. (PIBA), 32 Greenmount Office Park, Harold's Cross, Dublin 6w.

The Financial Services Ombudsman (FSO) Bureau was established on a statutory basis under the Central Bank and Financial Services Authority of Ireland Act 2004 and opened for business on Friday, 1 April 2005. Contact and procedure details are included under a separate heading at the end of this document.

### **Consumer Protection**

*\*Investor Compensation Company Ltd. (ICCL)*

This firm is a member 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 for the foreseeable future and where the client falls within the definition of eligible investor as contained in that Act. In the event that a right to compensation is established, the amount payable is the lesser of 90 percent of your loss which is recognised as being eligible for compensation or €20,000.

In addition to the Compensation available under the "Investor Compensation Act, 1998", MacCourt Financial Planning Ltd. is bonded through its membership of IBA for €200,000 with an inner limit of €65,000 per client.

### **Handling Clients' Money**

MacCourt Financial Planning will not accept payments in cash. All cheques and drafts are to be made payable directly to the relevant financial institution where they are being invested / paid as a premium.

### **Where the client fails to pay:**

In the event that a client fails to pay the insurance company within the credit terms agreed when cover is arranged, this firm will not take responsibility for the lapse in policy and will therefore have no further liability in relation to same. For fee based client's non payment of fees to MacCourt Financial Planning Ltd. is outlined in the Commission / Fee Agreement.

### **Receipts**

*MacCourt Financial Planning Ltd.* shall issue a receipt for each non-negotiable or negotiable instrument or payment received for onward transmission to an insurer or any other financial institution on behalf of a client and also in relation to fees paid to MacCourt Financial Planning Ltd. This is required pursuant to Section 30 of the "Investment Intermediaries Act, 1995." These are issued with your protection in mind and should be stored safely.

## **Commission / Fee Agreement and Details of Charging Structures Available**

MacCourt Financial Planning offers flexibility on charging structures. While our preferred method of remuneration is on a fee basis establishing a client fee account and charging for time spent on a rate per hour, this may not suit all clients.

In order to establish and maintain a client fee account, generally a minimum fee income of €1,200 per annum is required. For smaller portfolios, this may be less cost effective than a traditional commission based product.

A moderate level of commission is taken which is estimated to cover the time spent on planning and administrating a client portfolio. If an unusually large amount of work is undertaken or if time is spent in relation to non commission generating products / advice, we reserve the right to charge for the additional time incurred.

Please note that it is our practice to charge fees on a rate per hour basis for initial consultations and reports, particularly where no / insufficient supporting business is completed.

## **Notes in relation to fee based charges**

MacCourt Financial Planning has a substantial database of relevant client information covering taxation, investments, pensions and various legislative changes. We make this information available to our clients by circular, using post, fax or e-mail. Information provided in this manner is not charged to individual clients. If you are not already on our mailing list for these circulars, please let us have your contact details and identify the areas that you may be interested in.

Our time costed fee structure offers what we believe is the most transparent charging structure in the Irish marketplace where a full reconciliation with detailed timesheets is issued quarterly, or more frequently on request. A full breakdown of all commissions received by MacCourt Financial Planning is included in our account reconciliations. All commissions are credited to a notional client account reducing or eliminating any fees due. In the absence of adequate commission earnings, we will invoice clients for any balance.

Where additional outlay is incurred (e.g. courier costs, travel, accommodation, third party professional fees), these are normally added to the clients account and invoiced accordingly.

It is not our practice to deliberately build up substantial credits on client fee accounts and if such a surplus arises, we will endeavor to complete future business on a nil / reduced commission basis to absorb any surplus.

The rate of commission on various products purchased through our office varies from time to time. At the time of writing, commissions credited to fee accounts are as follows:

- Deposits (Anglo Irish Bank/Investec/Permanent TSB/Rabo): up to 0.3% on retail products
- Share transactions (Davy/Goodbody/Merrion/Quilter): 33% of commission received by our office, this is an adjusted allowance for bonding / PI insurance costs.
- Unit linked bonds (with most insurers): up to 3% year one and up to 0.5% per annum thereafter.
- Pension Plans: up to 5% year one and up to 0.5% per annum thereafter.
- Term / Critical Illness / Permanent Health Insurance: up to 90% year one and up to 3% per annum thereafter.

It is hereby agreed that the company will undertake work on behalf of the Client on a fee basis. This agreement relates to the following categories of business:-

All financial advice and arranging / servicing of financial products

The company will maintain a notional client account for the purpose of charging fees for work undertaken on the client's behalf. Fees are calculated based upon a rate per hour plus outlay, if relevant. Regular statements of account will be issued by the company.

Any new business sales commissions received by the company derived from products purchased by the client on the advice of the company are credited to the clients' account. If insufficient commission earnings are made, the company may at its sole discretion invoice the client for any balance of fees remaining on the client account and payment will be made to the company by the client within 30 days.

If the client's account remains substantially in credit resulting from excess commission earnings, the company will endeavour to complete subsequent transactions on a reduced/nil commission basis which will result in enhancement of investment value for the client. In accordance with a Revenue Commissioner's directive, surplus commissions cannot be returned to the client.

This agreement can be cancelled at any time by written notification from either party. Any fee outstanding will then become payable immediately by the client to the company. Any surplus will be retained by the company

Present hourly rates are set out below (June 2010). These may change from time to time, subject to notice. Presently there are no VAT implications for fees charged in relation to agency services. This may change in the future.

<b><u>CATEGORY</u></b>	<b>EURO rate per hour</b>
<b>consultancy*</b>	€285.00 to €435.00 (average €360.00)
<b>administration</b>	€185.00
<b>Secretarial</b>	€ 75.00

**\* Depending on seniority / experience of the staff member**

Any outlay is in addition to the above.  
Minimum fee €1,200 p.a.

**CLIENT ACKNOWLEDGEMENT and COMMISSION / FEE AGREEMENT**

**I/We** acknowledge and confirm that **I/we** have been provided with a copy of the Terms of Business of *MacCourt Financial Planning Ltd.* and that **I/we** have read through and understand these terms.

**I/We** acknowledge and confirm that **I/we** have read through and understand the terms outlined in respect of engaging MacCourt Financial Planning Ltd. on a fee basis and agree to pay in full any fees / expenses incurred on **my/our** behalf in respect of advice sought from or given by MacCourt Financial Planning Ltd.

**I/We** also understand that reviews are completed at **my/our** request.

**SIGNED:** \_\_\_\_\_ **Name:** \_\_\_\_\_ *(block capitals)*

**SIGNED:** \_\_\_\_\_ **Name:** \_\_\_\_\_ *(block capitals)*

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

**FACT FIND WAIVER OR CONFIRMATION OF INFORMATION ON FACT FIND**

**I/ We** confirm that **I/We** do not wish to discuss **my/our** personal and financial details in connection with the attached application for a \_\_\_\_\_ plan(s).

**I/We** accept that **I/We** have not received any investment advice in relation to this transaction and that **I/We** have been made aware of the investment risks associated with the transaction. **I/We** confirm that **I/We** wish to proceed with this transaction on an execution-only basis.

**Or (DELETE AS APPROPRIATE)**

**I/We** hereby confirm that the information on the attaching fact-find is complete and accurate and I agree that MacCourt Financial Planning Ltd. may review my / our financial arrangements based on these details  
**Data Protection:** The information you provide will remain confidential and may be used for the provision and administration of insurance and related services. Such information may be disclosed in confidence to agents or service providers with whom we hold appointments and our regulatory bodies (directly or via a central register). You may request, in writing, a copy of your details held by MacCourt Financial Planning Ltd. The details you are being asked to supply may be used to provide you with information about other products and services either from MacCourt Financial Planning Ltd. or related third parties who have been involved in the arrangement of products / services for you. Please tick here if you do not wish to avail of this service

**SIGNED:** \_\_\_\_\_ **SIGNED:** \_\_\_\_\_

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

**CONFIRMATION OF REFERRAL (to be completed & signed by new clients)  
(delete as appropriate)**

**I/ We** confirm that **I/We** have been referred to MacCourt Financial Planning Ltd. by:  
**Or**

**I/ We** confirm that **I/We** heard about MacCourt Financial Planning Ltd. from:

**Name of Referrer:** \_\_\_\_\_

**Address of Referrer:** \_\_\_\_\_

**Where did you hear about us?** \_\_\_\_\_

**SIGNED:** \_\_\_\_\_ **SIGNED:** \_\_\_\_\_

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