



Terms of Business

Effective January 2017

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.

The full name and address of the firm and communication details are:

**The Compliance Officer,
Reality Financial Services Limited t/a Reality Check,
Milltown Road,
Tuam,
Co. Galway**

Phone: 0818 227 017
Email: info@realitycheck.ie
Web: www.realitycheck.ie

Authorisation with the Central Bank

Reality Financial Services Limited T/A Reality Check is regulated by the Central Bank of Ireland under the Investment Intermediaries Act, 1995 and as an Investment Intermediary registered under the European Communities (Insurance Mediation) Regulations, 2005. The Firm is also regulated as a Debt Management Firm under Part V of the Central Bank Act, 1997 (as amended by the Central Bank (Supervision and Enforcement) Act, 2013) for the provision of debt management services. Copies of our regulatory authorisations are attached. The Central Bank holds registers of regulated firms. You may contact the Central Bank on 1890 777 777 or alternatively visit their website at www.centralbank.ie to verify our credentials.



Codes of Conduct

Reality Financial Services Limited T/A Reality Check 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

Our principal business is to provide Debt Management Services. We charge a Professional Fee for this Debt Management Advice.

The Firm provides advice and arranges transactions on behalf of clients in relation to life & pensions. A full list of insurers and product producers with which we deal is attached.

Reality Financial Services T/A Reality Check provides Professional Fee Paying advice to clients on Debt Management. We provide Debt Management Services.

Under Part V of the Central Bank Act 1997 (as amended) (the "Act") a "debt management firm" is defined as meaning:

"A person who for remuneration provides debt management services to one or more consumers, other than an excepted person [1]".

The Act defines "debt management services" as meaning:

- "(a) Giving advice about the discharge of debts (in whole or in part), including advice about budgeting in connection with the discharge of debts,
- (b) Negotiating with a person's creditors for the discharge of the person's debts (in whole or in part), or
- (c) Any similar activity associated with the discharge of debts".

Under the Act, a person who meets the definition of a debt management firm is required to obtain authorisation from the Central Bank in order to provide these services. Please also note the Act identifies a number of "excepted persons".

Please also note that the definition of a debt management firm identifies that it is remunerated for these services. The term "remuneration" is also defined in the Act.



WARNING:

You may still have debt outstanding after completing the debt management process.

Life & Pensions & Investments/Deposits

As a Life & Pensions/Investment/Deposits Intermediary, we can provide advice in relation to products for which we hold an agency and can place business on your behalf with those product producers. Reality Financial Services Limited T/A Reality Check can provide advice on and arrange products from the following range: life cover, serious illness cover, income protection, savings, investments and pensions.

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. It is however, 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.

Limited Analysis Of The Market

Reality Financial Services Limited T/A Reality Check provides advice on Life and pensions on a limited analysis of the market basis.

“limited analysis of the market” means providing services on the basis of a limited number of contracts and ***product producers*** available on the market, i.e., while not tied to one ***product producer*** the services are not provided on the basis of a ***fair analysis of the market***;

A list of our product providers is supplied in the appendix.



Debt Management Fees

Reality Financial Services Limited T/A Reality Check will negotiate with Creditors on your behalf.

We will charge a fee based on the complexity of the case and the firm's preference is for a Flat Fee based fee structure.

Flat Fee

The Firm charges €150 + VAT for the first meeting with a potential client.

The Firm's Letter of Engagement will detail the fees involved and will require the Customer's signed agreement before any work is commenced.

The agreed Flat Fee will cover all work done on a specific project. If a client has multiple debt advice cases to deal with, a fee will be agreed to reflect the complexity of the case and the increased workload.

The Flat Fee quoted to the Client will detail the VAT payable.

A fee may apply as a % of any debt write-downs negotiated with lenders and/or other creditors.

There is no guarantee that The Firm will achieve a result that the customer is happy with. There will be no refund of fees in this case.

Hourly Fees

The Firm's preference is for a Flat Fee structure but will offer the client the option of a "per Hour" fee structure.

The Firm charges €150 + VAT for the first meeting with a potential client.

The Firm's Letter of Engagement will detail the fees involved and will require the Customer's signed agreement before any work is commenced.

The Firm's fee is €150 + VAT per hour. The client will be asked to pay for five hours work on the file up front. This will amount to an up front payment of €750+VAT



Summary – Hourly Based.

| | | |
|-------|-----------------|------------------------------------------------------|
| Fees: | Initial meeting | €150 + VAT |
| | Up-Front Fee | €750 + VAT (This represents 5 hours paid in advance) |

Hours after the initial five hours will be charged at €150+VAT.

When the up front fee payment is expended The Firm will notify the client and give an estimate of the fees to conclusion.

The Hourly Fee quoted to the Client will detail the VAT payable.

There is no guarantee that The Firm will achieve a result that the customer is happy with. There will be no refund of fees in this case.

Refund of Fees

In relation to debt management services, there is no guarantee of success in our negotiations. There is no refund of fees if our negotiations are deemed unsuccessful.

Disclosure of Information

Any failure to disclose material information may invalidate your claim and render your policy void.

Reality Financial Services Limited T/A Reality Check is remunerated by commission and other payments from product producers or lenders on the completion of business. 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 and agree the scale of fees to be charged.

Personal Retirement Savings Accounts (PRSAs) – Fees

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

Advisor fees: €35 + VAT per hour.

Support staff: €20 + VAT 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 will become the amount payable to the intermediary unless an arrangement to the contrary is made.

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 of changes in your circumstances, or request a review, may result in you having insufficient insurance cover and/or inappropriate investments.

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.

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.

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 3 business 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 or the Pensions Ombudsman. A full copy of our complaints procedure is available on request.

Data Protection

Reality Financial Services Limited T/A Reality Check complies with the requirements of the Data Protection Acts, 1998 and 2003.

The data which you provide to us will be held on a computer database and paper files for the purpose of arranging transactions on your behalf.

We would also like to keep you informed of insurance, investment, and any other services provided by us or associated companies with which we have a formal business arrangement, and which we think may be of interest to you. We would like to contact you by way of letter, email, telephone call or personal visit. If you do not wish to receive such marketing information please tick the box when signing at the end of this document.

Compensation Scheme

We are members of the Investor Compensation Scheme operated by the Investor Compensation Company Ltd. See the Appendix for details.

The Directors of Reality Financial Services Limited are:

John Connelly Milltown Road, Tuam, Co. Galway

Michael Kenny Milltown Road, Tuam, Co. Galway



Acknowledgement

I acknowledge and confirm that I have been provided with a copy of the Terms of Business of Reality Financial Services Limited T/A Reality Check I agree to the terms set out in this document

Signed _____ Date _____

Signed _____ Date _____

Adviser's Signature _____ Date _____

We would also like to keep you informed of insurance, investment, and any other services provided by us or associated companies with which we have a formal business arrangement, and which we think may be of interest to you. We would like to contact you by way of letter, email, telephone call or personal visit. If you do not wish to receive such marketing information please tick the box.



APPENDIX

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.



Product Producers from which Reality Financial Services Limited holds written letters of appointment to act as an intermediary

Life & Pensions/ Income Protection/Serious Illness/Investments/Deposits

- Irish Life
- New Ireland
- Zurich
- EBS
- Permanent TSB

Asset Finance Provider

- Close Brothers