

# TERMS OF BUSINESS

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

TermsofBusiness/A/DL/2019/V1

## **Terms of Business Effective date: 1st March 2019**

This Terms of Business document sets 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 issue you with a replacement Terms of Business. By transacting business, we assume that you accept the terms of business as presented.

Arachas Corporate Brokers Limited trading as Arachas, Capital IM, is regulated by the Central Bank of Ireland. The firm is regulated under reference number, C30208, as an insurance distributor under the the European Union (Insurance Distribution) Regulations 2018 (S.I. No. 229 of 2018) (the "IDD Regulations, as amended), an investment product intermediary appearing in the register maintained under Section 31 of the Investment Intermediaries Act, 1995 (as amended), as a mortgage credit intermediary under the European Union (Consumer Mortgage Credit Agreements) Regulations, 2016 (CMCAR).

Copies of our authorisations are available on request and are displayed in the public areas of our offices. The firm is subject to the Central Bank's Code of Conduct as per the Consumer Protection Code, the Minimum Competency Code and Fitness and Probity standards for regulated entities. These Codes can be found on the Central Bank's website [www.centralbank.ie](http://www.centralbank.ie).

We are registered with the Competition and Consumer Protection Commission to act as a Credit Intermediary. We provide insurance services to specified EU countries via the passporting of services.

This Terms of Business specifically reflects the activities and services of Arachas. Capital IM does not trade directly with members of the public. It wholesales specific commercial products to a nationwide panel of retail intermediaries and has a separate Terms of Business for its activities.

## **Governing Law**

Our terms of business shall be governed by and construed in all respects according to the laws of the Republic of Ireland.

# TERMS OF BUSINESS

## **Our Services:**

Our principal business is to provide advice and arrange transactions on behalf of clients in relation to general insurance products, financial services and mortgages. A full list of product providers including ultimate insurers and lending agencies with which we deal is available on request.

Arachas uses a range of product providers some of whom in turn may charge a fee for their services. A full list of our product providers is available on request. For ease of reference, for the purpose of this document, the term, 'product provider', may refer to insurance undertakings, wholesale brokers, managing general agencies and product producers. Arachas transacts business only through product providers who are regulated by the Central Bank of Ireland or other equivalent regulator. Arachas cannot and does not guarantee the solvency of any product provider.

## **Commercial Insurance**

Key products and services include but are not restricted to; business insurance, agricultural, private clients, manufacturing, corporate risks, hospitality and entertainment risks, fleet insurance, property risks, goods in transit, educational risks, charitable risks, insolvency risks, professional risks, management liability, cyber risks, tradesmen and contractors insurance.

## **Personal Insurance**

Key products and services include but are not restricted to private car insurance, commercial van insurance, home insurances, landlord insurance, travel insurance, gadget insurance.

For some products, Arachas can provide broad-based advice, based on a fair analysis basis on all classes of insurance policies on the basis of a sufficiently large number of contracts and product providers available on the market to enable us to make a recommendation, in accordance with professional criteria, regarding which contract would be adequate to meet the your 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. In order to ensure that the number of contracts and providers is sufficiently large to constitute a fair 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
- Other relevant consideration.

Arachas also offers specific affiliate products and schemes for personal lines and commercial lines products across motor, household and specific business insurances with leading providers (details available on request) which have the added benefit of often bespoke market-leading policy wordings at keen rates. For such policies, Arachas operates on a limited analysis of the market, details of the limited market product providers is available on request for these cases. Where Arachas assess consumers as being eligible for these packages, or provide distribution services via another channel, we don't research the market on a case-by-case basis, but rather place the business with the preferred provider. We continually review, monitor and evolve such products with product providers, from a cover and costing perspective to ensure that our offering remains competitive and also to enhance our customer experience.

We also offer risk management advice and a claims handling service.

## **Mortgages**

Through the lenders or other undertakings with which we hold an agency, Arachas can provide advice on and arrange mortgage products from the following range: fixed-rate loans, variable rate mortgages, capital & interest mortgages, interest only mortgages, endowment mortgages, pension mortgages and residential investment property. We offer advisory services on mortgages based on a limited analysis basis by reference to our agencies with permanent tsb p.l.c, KBC Bank Ireland, Haven Mortgages Ltd and Dilosk DAC trading as Dilosk and ICS Mortgages.

We aim to supply our Terms of Business details to our clients in advance of transacting business. However, in circumstances where a client may require immediate insurance cover or where the contract is a distance contract under the terms of the European Communities (Distance Marketing of Consumer Financial Services Regulations 2004), it may not be possible to issue the Terms of Business in advance of cover and with the client's agreement, the business will be transacted and the Terms of Business emailed or posted to the client without delay. Arachas uses a range of product suppliers some of whom in turn

# TERMS OF BUSINESS

may charge a fee for their services. A full list of our product suppliers is available on request. Arachas transacts business only through product suppliers who are regulated by the Central Bank of Ireland or other equivalent regulator. Arachas cannot and does not guarantee the solvency of any insurer or product supplier.

## Conduct

Arachas endeavours in all transactions to act honestly and fairly in the best interests of our clients and the integrity of the market while complying with all regulatory requirements applicable to the conduct of our business activities. We will provide assistance to you for any queries you may have in relation to your 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 and supporting schedules, literature and brochures to ensure that you understand the nature of the policy cover and the restrictions which may apply.

Please note that if you receive a quotation for a new business insurance product or for a change to an existing insurance, cover should not be assumed to be in place until it is confirmed by Arachas.

## Payment of amounts owing

Under current legislation, very strict rules apply to the payment of premiums to product providers. Arachas will not be able to pay premiums to product providers which have not been received from clients, with the result that cancellation instructions may be given to product providers, in the absence of payment of the premium in full.

Lenders or Insurers may withdraw benefits, cover, loan facilities, or impose penalties in the event of default of any payments due for products arranged for your benefit. We reserve the right to take legal action for any monies due to us. Arachas has a policy of charging €10 for a returned cheque.

Premium Rebates: Premium rebates are forwarded to consumers within 5 working days of the official notification being received from the product supplier.

## Handling Clients money

Arachas accepts payment in cash, cheque, by credit or debit card and by electronic fund transfer. Monies received from clients are retained in our Client Premium Account, which is a bank account solely for client's monies. Arachas issues a receipt for cash or negotiable instruments (e.g. cheque) payment received. A receipt is issued with your protection in mind and should be stored safely.

## **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 product providers on behalf of clients where the firm has acted in good faith in renewing a policy of insurance for the client.

Product providers 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.

## **Anti-Money Laundering/Counter Terrorist Financing**

Arachas reserves the right to request any information necessary from a client deemed necessary under the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended by The Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2018. Any suspicious transactions will be reported to the Gardaí and Revenue in line with regulatory rules.

## **Outsourcing:**

Arachas may outsource activities to regulated and unregulated providers.

## **Premium Finance:**

We may arrange insurance premium finance on your behalf with appropriately regulated providers and offer facilities to you based on a credit assessment by the credit provider. We may receive commission payments from the finance provider in respect of such finance agreements. Details of commissions received by Arachas from premium finance providers is available on request. Please ensure that you read, understand and adhere to the terms of any premium finance agreement. Arachas accepts no responsibility for any refusal by a premium finance provider to offer credit or for the consequences of defaults or delayed payments. Please be aware that your lender will be sharing information with the Central Credit Register, The Central Bank of Ireland established the Central Credit Register which is a new centralised system for collecting personal and credit information on loans of €500 or above. This information may be used by other lenders when making decisions on your credit applications and credit agreements. If you require any additional information

# TERMS OF BUSINESS

please visit [www.centralcreditregister.ie](http://www.centralcreditregister.ie) where it aims to answer consumer questions.

## 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.

## Claims notification

You should notify Arachas or the product provider without delay

in the event of an incident which may lead to a claim being made. Failure to notify a claim or potential claim without delay could result in the claim being refused. Please note that product providers may appoint a loss adjuster to assist them in the processing of a claim. It is important to note that the loss adjuster acts in the interests of the product provider. You may appoint a loss assessor to act in your interests as a claimant but any such appointment is solely at your own expense.

## **Cancellations and mid term alterations**

You may opt to amend or cancel your policy during the period of cover. A consumer (as defined by SI No 853 of European Communities (Distance Marketing of Consumer Financial Services) Regulations, 2004 has the right to withdraw from an insurance policy within 14 days of the start date of the policy without penalty and without giving any notice. This is called, 'the cooling off period'. The right of withdrawal must be exercised by notice in writing to Arachas, quoting your policy number. If the cover relates to motor insurance, the policy cannot be cancelled or monies refunded until the relevant Certificate of insurance and windscreen disc have been received by the product provider. No refund will apply if a claim has occurred on the policy. Please note that if you cancel a policy which was set up on a minimum and deposit basis, no refund will be allowed following cancellation.

Please note that if you opt to cancel an insurance policy covering a property which is subject to a mortgage, you may be in breach of the mortgage terms in cancelling cover.

## **Duty of Disclosure**

It is your responsibility to provide complete and accurate information when arranging or renewing a policy and throughout the lifetime of a policy. Failure or delays in disclosing material facts to a product provider could invalidate your insurance cover or mean a claim is declined or a reduced amount is paid. A material fact is a fact so important that its disclosure could change the decision of insurer to underwrite a policy or in determining the premium or in settling a loss. Insurers now share all claims information on the Insurance Link database. This reports on all claims and will be used by Insurers to verify correct disclosure of claims information. Usually the misrepresentation of a material fact voids a policy.

Please note that where a policy is incepted based on the information supplied on a completed proposal form or via a statement of fact form, Arachas assumes that you have checked the accuracy of all information provided, including any pre-populated sections on such forms. If there are errors, please notify us immediately. If you are unsure about whether a fact is

# TERMS OF BUSINESS

material, please contact us to discuss. Otherwise, Arachas will assume that all of the information shown on your insurance forms is displayed correctly.

## Conflicts of Interest

In the course of our dealings with you, there may be times that a member of our staff may have an interest, relationship or other arrangement that is material to the advice we are giving you. In all such cases this interest will be declared to you and our employees are required to disregard any such interest. Where we enter into a soft commission agreement with a product provider, details of the arrangement will be formally agreed in writing between Arachas and the product provider. Any business transacted under a soft commission agreement does not conflict with the best interests of our clients.

## 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 or failure to request a review may result in you having insufficient insurance cover and/or inappropriate investments.

## Complaints

Customer service is important to Arachas and we aim to resolve complaints as quickly as possible. Whilst verbal complaints are welcome, it would be preferable that any complaints are made in writing. We will acknowledge your complaint 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, contact details are shown later in this document. A full copy of our complaints procedure is available on request.

## Earnings disclosure

Our income is generated from a combination of commissions and brokerage fees for our professional services. The level of brokerage charged will be dependent on the complexity of service, seniority of staff involved, compliance factors, and other operational considerations. Any brokerage charged will be clearly

identified on your quotation documentation and invoices where business is transacted and will be non refundable in the event of policy cancellation. Arachas may also be paid an additional commission by product providers based on certain agreed business targets being achieved and may also receive additional commission from premium finance providers for business transacted. Arachas has an arrangement with and pays a referral commission to Governor and Company of the Bank of Ireland trading as Bank of Ireland for provision of general insurance services. Details of such commission payments are available on request. Details of remuneration for non-life insurance and information from different mortgage lenders are available on request.

We do not regard this as a conflict of interest when providing business services to its clients. We may offer clients the option of paying solely by a fee if required.

We may receive commission and other payments at inception of your business and on an on-going basis from the product provider with which business is placed. This remuneration enables us to provide you with services on an on-going basis.

## **Fees:**

### **Personal Lines**

|  |               |
|--|---------------|
| Set-up Service Fee -   | Up to €125.00 |
| Renewal Service Fee –  | Up to €125.00 |
| Mid-Term Alterations/Cancellations<br>/Duplicate Documentation – | Up to €50.00  |

**Commercial Lines** – New Business/Renewal/Mid-Term Alterations/Cancellations/Duplicate documentation – Up to 40% of premium per transaction per policy subject to a minimum charge of up to €150.00.

### **Fee Option**

You may elect to pay for your services by means of a fee. Fees may be charged on an hourly rate. This will always be discussed and agreed in writing with you in advance of inception of any policy.

|  |          |
|--|----------|
| Current fee structure ex VAT                             |          |
| Account Directors (Commercial<br>and Financial Planning) | € 350.00 |
| Account Executives                                       | € 250.00 |
| Administrative Staff                                     | € 150.00 |
| Executive Financial Planning Service                     | €1250.00 |

Please note that Arachas may apply the hourly rate in addition to broker fees as specified for particularly complex accounts

# TERMS OF BUSINESS

and/or where court attendance may be required.

In respect of mortgages, we may receive commission from lenders at a rate of up to 1% approximately of the amount borrowed. If we secure a Letter of Offer for you, and you do not proceed with the loan, there will be a charge for our services. This fee is €500 at present, but is liable to change from time to time. In certain instances lenders may charge additional arrangement or other fees e.g. 1% of the loan up to €1,500. The actual amount of an Arachas or lender fee will be included in a European Standardised Information Sheet which will be provided by your lender. All fees will be taken into account in calculating the Annual Percentage Rate of Charge on a mortgage.

## Termination of service

Our services may be terminated for one policy or across the range of policies for which we act as your insurance broker (within regulatory rules) without cause or penalty by either us or you by giving one month's notice of termination to the other or as otherwise agreed. With effect from the date of termination and in the absence of any express agreement to the contrary, we will have no obligation to perform any other services for you.

## Data protection

The Company processes data in line with the provisions of the Data Protection Act 2018. Personal data is collected in order to provide the highest standard of service to you. The information you give us may include your name, date of birth, marital status, details of dependants, home address, contact address, e-mail address and phone number, employment details, bank account detail, tax details, assets and liabilities, expense details, financial and credit card information, photo identification documentation, criminal convictions. Information supplied is kept secure, is used only for legitimate purposes in our activity as intermediary and is retained for no longer than is necessary, subject to any regulatory rules regarding record maintenance. Debit and credit card information is retained only for the duration of the transaction.

We may also need to collect sensitive personal data to fulfil product provider's requirements in providing insurance quotations or products. Sensitive data includes trade union activities, physical or mental health detail. By providing us with your information and proceeding with a contract of insurance, you consent to all of your information being used, processed, disclosed, transferred and retained for the purposes of insurance administration, including underwriting, processing, notification of potential claims, claims handling, collection of debt and fraud prevention. Please note that in some cases if you do not agree to the way we process your information, it may not be possible for us to continue to offer services to you.

Some of the ways in which we may collect information from you may include subscription to newsletters, at registration at events, via social media or website communications and product promotional activity. In the event that we partner with third party suppliers we accept no responsibility for the security or content of any third party websites or third party social media activity. Our website provides details of our privacy notice.

We would also like to keep you informed of mortgage, insurance and investment services provided by Arachas which may be of interest to you. We would like to contact you by way of letter, email or telephone call. If you do wish to receive such marketing information please tick the box to reflect your opinion in the Terms of Business acknowledgement letter to allow us appropriately note our records.

We may share information about you with regulatory and public bodies including An Garda Síochána and with third party outsourced suppliers providing regulated and unregulated services to the firm. We may provide premium finance providers, for commercial businesses, details of your company name and CRO number in a bid to seek pre-approval for premium finance as part of our service. We may also use your details for training purposes and for customer research.

When you request a quotation from us, you may receive a telephone call or text message and/or email in relation to that quote. There may also be requirements to contact you for the purposes of discussing renewal terms of an existing policy with us or any other query directly related to an existing policy with us. We may also use the information to notify you by telephone, post, mobile phone, e-mail and/or SMS messaging about new or existing products or about special offers. You have the option to decline to receive further marketing information from us by writing to us or by following any additional opt out instructions that may be received in communications.

You may have entitlements under legislation to inspect all personal information held on file by the Company and to have inaccuracies in that information corrected. Subject access requests for specific information should be sent to the Data Protection team at our Dublin office. There is no fee for such requests.

## **Electronic Mail**

Where communication is by electronic mail, Arachas and our clients accept the inherent risks in this method of communication. Notwithstanding that we have virus checking procedures on our system, you will be responsible for virus checking all electronic communications sent to you. You will also be responsible for checking that messages received are complete. Electronic mail

# TERMS OF BUSINESS

transmission from Arachas is confidential and intended only for the person to whom it is addressed. Its contents may be protected by legal and/or professional privilege. Should an email be received by you in error please contact us at [insure@arachas.ie](mailto:insure@arachas.ie). Cover instructions received by Arachas by electronic mail have no validity until confirmed by Arachas. Any unauthorised form of reproduction of email communication is strictly prohibited. The firm does not guarantee the security of any information electronically transmitted and is not liable if the information contained in this communication is not a proper and complete record of the message as transmitted by the sender or for any delay in its receipt. The firm accepts no responsibility for any loss or damage resulting directly or indirectly from the use of electronic mail or for the contents within. In the event of a dispute neither of us will challenge the legal evidential standing of an electronic document and Arachas systems shall be deemed the definitive record of electronic communications and documentation.

We would remind our clients that due the popularity of email as an attack vector, it is critical that enterprises and individuals take measures to secure their email accounts against common attacks as well as attempts at unauthorised access to accounts or communications. Malware sent via email messages can be quite destructive. Phishing emails often contain malware in attachments designed to look like legitimate documents or include hyperlinks that lead to websites that serve malware. Phishing emails can also be used to trick recipients into sharing sensitive information, often by posing as a legitimate business or trusted contacts. Phishing emails aimed at stealing information typically will ask recipients to confirm their login information, passwords, social security number, bank account numbers, and even credit card information. Some even link to counterfeit websites that look exactly like that of a reputable vendor or business partner to trick victims into entering account or financial information. Arachas will never seek such information from our clients. Our website address is [www.arachas.ie](http://www.arachas.ie).

While Arachas uses reasonable efforts to include accurate and up-to-date information on its website, errors or omissions sometimes occur. To the fullest extent permissible under applicable law, Arachas makes no warranties or representations as to the accuracy of the content of this website and under no circumstances, including, but not limited to, negligence, shall Arachas or any party involved in creating, producing, or delivering the website be liable to you for any direct, incidental, consequential, indirect, or punitive damages that result from the use of, or the inability to use, the materials on this website. Arachas assumes no responsibility, and shall not be liable for, any damages to, or viruses that may infect, your computer equipment or other property as a result of your access to, use

of, or browsing in the website or your downloading of any materials, data, text, images, video, or audio from this website. Arachas does not guarantee the accuracy, completeness or correctness of any information on its website. You agree that use of the site and its contents is entirely at your risk and to the extent permitted by law, all warranties or conditions that would, but for the terms of this disclaimer, be implied by statute or otherwise, are excluded.

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**Contact Details** for Arachas Corporate Brokers Limited trading as Arachas, Capital IM

**DUBLIN**

The Courtyard,  
Carmanhall Road,  
Sandyford Business  
Estate  
Dublin 18  
D18 X377  
Tel: 012135000  
Fax: 01213 5001

**CORK**

9 Eastgate Avenue,  
Eastgate Business  
Park,  
Little Island,  
Cork  
T45 YN92  
Tel: 0214270505  
Fax: 0214275540

**SOUTH EAST**

Marine Point,  
Belview  
Waterford  
X91 W0XW  
Tel: 051877700  
Fax: 051877702

**Other Organisations**

**Brokers Ireland:**

87 Merrion Square, Dublin 2, D02 DR40  
Tel: 01 661 3067, Fax: 01 661 9955  
Email: [info@brokersireland.ie](mailto:info@brokersireland.ie), Website: [www.brokersireland.ie](http://www.brokersireland.ie)

**The Competition & Consumer Protection Commission**

Bloom House, Railway Street, Dublin 1. D01 C576  
Tel: 01 4025500  
Email: [complaints@ccpc.ie](mailto:complaints@ccpc.ie), Website: [www.ccpc.ie](http://www.ccpc.ie)

**Financial Services and Pensions Ombudsman's Bureau of Ireland**

Lincoln House, Lincoln Place, Dublin 2, D02 VH29  
Tel: 01 567 7000  
Email: [info@fspo.ie](mailto:info@fspo.ie), Website: [www.fspo.ie](http://www.fspo.ie)

**Data Protection Commission:**

21 Fitzwilliam Square South, Dublin 2, D02 RD28  
Tel: +353 761 104 800  
Website: [www.dataprotection.ie](http://www.dataprotection.ie)

# TERMS OF BUSINESS

**Central Bank of Ireland**

PO Box 11517, Spencer Dock, North Wall Quay, Dublin 1

Tel: 1890 777 777

Email: enquiries@centralbank.ie, Website: www.centralbank.ie



Signed: Conor Brennan, CEO

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## Privacy Policy

Here at Arachas, we take your privacy seriously and will only use your personal information to provide the products and services you have requested from us.

However, from time to time we may like to contact you with details of other general insurance, financial planning and mortgage services we provide. If you consent to us contacting you for this purpose please tick to say how you would like us to contact you:

Post    Email    Telephone    Text message

I agree

Arachas Client Reference .....

Customer Signature .....

Customer (Print Name) .....

Customer Address .....

Date .....

