

**MORTGAGE TERMS OF BUSINESS**  
**Central Mortgages (Essex) Ltd**

The Financial Conduct Authority took over regulation of mortgages from 1<sup>st</sup> November 2004 and we are regulated by them. Our registration number is 460448. The Financial Conduct Authority have high standards of practise to ensure good lending and advice is provided to clients and must be practised by all lenders and mortgage intermediaries.

Our objective is to give you the best quality advice to suit your individual mortgage requirements. We are **Whole of Market** brokers dealing with all lenders and insurance companies and act on your behalf not the lender. We can recommend a mortgage that is suitable for you, from the full range of products available in the market place. As such, we are **Whole of Market** brokers.

To provide additional protection for our clients, in the unlikely event of us providing incorrect advice, we have Professional Indemnity Insurance in place as required by the Financial Conduct Authority.

Your mortgage is likely to be the largest financial transaction that you will ever undertake and therefore understanding how your mortgage works and taking control of its repayment is an essential part of your financial planning. Our aim is to provide a first class mortgage advice service, covering all aspects of client needs, i.e. First Time buyers, Home Movers and Re-mortgages. In addition we look to provide adequate protection for you and your family. We are committed to providing a high standard of professional service and customer choice.

We offer a full advice and recommendation service unless you specify another level of service. We will confirm the level of service which we are providing to you at the outset of our discussions and this will be confirmed in our summary of recommendation letter which will be issued after you make a mortgage application and prior to completion of the mortgage loan.

Central Mortgages adheres to a 'due diligence' method in sourcing an appropriate mortgage for your needs having completed a Fact Find and this has been evidenced by our record keeping, issue of a Key Facts Illustration, Terms of Business Letter and a simple verbal client knowledge test to ensure the salient aspects of the mortgage have been explained and understood by our clients. This is in keeping with the Financial Conduct Authority requirements to Treat Customers Fairly. This is not required for non residential mortgages but is still undertaken by Central Mortgages as Best Practice.

Central Mortgages always recommends a 'homebuyer' survey report is commissioned rather than a 'standard' valuation as this provides further and better particulars regarding the subject property.

To allow us to make a recommendation to you, we will provide you with information relevant to your mortgage needs, covering such items as an explanation of the main repayment methods and the implications of taking out a mortgage. A full list of the information can be obtained from the Financial Conduct Authority

If you select a repayment option that includes a product regulated by the Financial Conduct Authority, such as an endowment policy or an ISA, then you should seek independent financial advice to arrange the repayment product, from an adviser who is Authorised and Regulated by the Financial Conduct Authority to transact investment Business. We have chosen not to provide advice on any form of investment business, preferring to concentrate on our core business of mortgage broking.

#### ***How We Will Operate***

During our initial meeting, we will complete a detailed mortgage review questionnaire (a Fact Find) to enable us to provide appropriate advice for your mortgage and other related insurance products.

Having identified your aims and objectives, we will analyse your current mortgage and financial position, together with the mortgages available in the whole market place to establish the most suitable mortgage product to meet your needs and requirements.

Once we have made a recommendation to you, we will confirm our advice in writing. You should keep this letter as it will be an important record of our discussions and will summarise our recommendations. Details of the loan will also be confirmed to you in the lender's formal offer document.

#### ***Fees and Charges***

We may receive fees from the lenders with whom we place mortgages. Before you take out a mortgage, we will tell you the amount of the fee in writing. If the fee is less than £250 we will confirm that we will receive up to this amount. If the fee is £250 or more, we will tell you the exact amount.

You may obtain details from us with regard to any other fees and charges which may be applicable to your mortgage loan at the appropriate time or whenever you request details.

We may charge a fee for work carried out on your behalf. If we are asked to obtain a re-offer we may charge a fee for the extra work undertaken. This fee may be equivalent to any original fee that we charge.

**We will not transact a mortgage for you if you do not have a life policy to protect the loan or have evidenced a suitable existing policy that can be used to protect the loan.**

#### ***Confidentiality***

We will treat all your personal information as private and confidential (even when you are no longer a client) except where disclosure is made at your written request or with your consent in relation to arranging a mortgage.

You have the right of access under the Data Protection Act 1998 to your personal records whether they are held manually or electronically. A fee may be charged to supply this information due to the work involved.

We confirm that the information was correct at the time it was obtained from you. We confirm that this information will not be used or transferred by us to any other firm or company without your consent. We also confirm that we cannot be held responsible for information held on your file becoming inaccurate due to your change in circumstances if you fail to inform us of those changes.

In order to advise you properly, we must obtain certain information from you about your personal financial circumstances in order to assess the suitability of particular products and Conduct. We will need to obtain and maintain certain other records. We need your express consent to hold and maintain these records for as long as you remain a client of this company.

- You agree that information about you can be held on computer and/or paper files for an indefinite time.
- You agree that we may keep your records on file and contact you from time to time for review purposes.
- You are in agreement that we may receive commissions from lenders, insurance providers and other sources and that we may keep all such incomes whether transparent or otherwise.
- You agree that any information that we hold or gather can be disclosed to:
  - a) Third parties (product providers, credit agencies etc) for the purposes of assessing your application;
  - b) Our regulators (such as the Financial Conduct Authority) who have the legal right to examine all of our records. We are informed by the Financial Conduct Authority that such information will only be sought for compliance activities and there will be no breaches of customer confidentiality;
  - c) Our Compliance Consultants who help us to comply with the various legislation and regulatory requirements;
  - d) Any third party who is directly connected to the procedures involved in the purchase of your property such as; your solicitor, the developer, the estate agents involved and any other directly connected organisation who will require such information. If you do not agree to us providing such information, you must confirm this in writing.
- **We would not supply or make available any information to unconnected parties without your prior express permission.**
- You agree that we may use the information that we hold about you to contact you from time to time via post, email, fax or telephone, to bring to your attention products, Conduct or information about your existing contracts, which may be of benefit to you. You may refuse this permission by putting an **X** in the following box.
- You give permission for us to maintain your records on file and for us to contact you at anniversary dates of your mortgage product and other dates to ensure that we maintain contact and are able to keep to our principle of maintaining and developing long term business relationships. In addition, you give permission for us to make contact with a mortgage lender after completion of your mortgage should there be a future query and for them to release information to us regarding the arrangements that we make for you.

If the application is withdrawn prior to processing and survey, a sum of £199.00 will be retained by Central Mortgages in respect of administration costs.

If a survey / valuation is instructed and the application is cancelled prior to the survey taking place, the full survey fee payment will be retained.

If the application goes to offer but does not proceed to completion for whatever reason, you agree that Central Mortgages will charge a fee equivalent to a minimum of 0.25% of the mortgage advance requested in addition to any fee charged by the mortgage packager, lender or other party or a higher sum may be charged if agreed via a Fee Agreement. Upon issue of an offer, any agreed broker fee is due for payment.

**Declaration**

We look forward to being of service to you and thank you for the opportunity to analyse your current mortgage situation.

We confirm that we have provided a copy of this document

Advisor Signature: \_\_\_\_\_ Name: \_\_\_\_\_ Date: \_\_\_\_\_

I / We confirm that I / we have received and retained a copy of this document. I / We confirm that the details enclosed herein have been explained to me/us, together with the provisions of the Data Protection Act.

Client Signature:   X   \_\_\_\_\_ Name: \_\_\_\_\_ Date: \_\_\_\_\_

Client Signature:   X   \_\_\_\_\_ Name: \_\_\_\_\_ Date: \_\_\_\_\_