

# **ACTIVE FINANCIAL**

## **Terms Of Business And Commitment To You**

Active Financial Limited are award-winning specialist mortgage and finance advisers.

We are authorised and regulated by the Financial Conduct Authority (FCA).

The FCA regulates financial services in the UK, and you can check our authorisation and permitted activities on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register).

Our Financial Services Register number is 488342.

Active Financial Limited operates the following trading names:

- Active Mortgage
- Active Commercial
- Active Insurance

## **Our Services**

### **Residential Mortgages**

We are independent mortgage advisers, and we will recommend a mortgage product that is suitable for you following an assessment of your personal needs and circumstances. This will include a detailed assessment of affordability.

We will consider all products and lenders that we have access to. This means we will not consider those lenders that are only available by you going direct to them.

Where you are increasing your borrowing, we will consider the merits of both a new first charge mortgage and securing this by an additional mortgage on a second charge basis. You may have the option of a further advance from your existing lender; however, we will only consider this where we are able to deal directly with the lender on your behalf.

It may be in your best interests to explore this option and look at the further alternative of an unsecured loan, as these may be more appropriate for you.

### **Let To Buy Mortgages**

We are independent mortgage advisers, and we will recommend a Buy to Let mortgage product that is suitable for you following an assessment of your personal needs and circumstances. This will include a detailed assessment of affordability.

We will consider all products and lenders that we have access to. This means we will not consider those lenders that are only available by you going direct to them.

Where you are increasing your borrowing, we will consider the merits of both a new first charge mortgage and securing this by an additional mortgage on a second charge basis. You may have the option of a further advance from your existing lender; however, we will only consider this where we are able to deal directly with

the lender on your behalf. You should always explore this option in the first instance and look at the further alternative of an unsecured loan, as these may be more appropriate for you.

When selecting a lender, we will not consider those that are only available by you going direct to them. A full list of the lenders is available upon request.

### **Buy To Let Mortgages, House of Multiple Occupancy, Multi-Unit Freehold Block & Expats**

An Investment Buy to Let mortgage is where the borrower is acting by way of business and is not regulated by the FCA and therefore the provision of our service does not hold this additional level of consumer protection, unlike for residential mortgages.

We will however always act in your best interests when providing you with advice and source lenders from the market that are suitable based on your requirements. When the preferred lender has been recommended, we will provide you with information about the product to ensure you understand your responsibilities and commitments to the lender before proceeding.

Our aim is to provide you with a professional and confidential service that delivers the highest possible standards.

### **Bridging loan, Commercial & Development Finance**

A bridging loan, commercial & development finance are not regulated by the FCA and therefore the provision of our service does not hold this additional level of consumer protection, unlike for residential mortgages.

We will however always act in your best interests when providing you with advice and source lenders from the market that are suitable based on your requirements. When the preferred lender has been recommended, we will provide you with information about the product to ensure you understand your responsibilities and commitments to the lender before proceeding.

Our aim is to provide you with a professional and confidential service that delivers the highest possible standards.

### **Non-Investment Protection and General Insurance Contracts**

For protection and insurance contracts we are an intermediary and will act on your behalf when providing advice and making our personal recommendation(s) to you. We will do this based on a fair and personal analysis of insurers for term assurance, income protection, critical illness building and/or contents and accident sickness and unemployment.

For private medical insurance we only recommend Vitality.

### **Ongoing Service**

We aim to service your future needs in the following ways:

- Future mortgage applications.
- Notification of product expiries.

- Processing of further advances and product transfers.
- Referral to appropriate advisers for your insurance needs and other requirements such as pensions, wills and trusts and tax advice.
- Information about, and access to, new and exclusive products and services.

However, unless agreed otherwise in writing we will not be obliged to review in the future any product or policy that we have arranged for you.

## Fees

Product	Standard Circumstances	Complex Circumstances
Residential Mortgage	£500	£1,000
Let To Buy Mortgage (2 Mortgages)	£1,250	£1,750
Buy To Let Mortgage	£750	£1,000
House of Multiple Occupancy, Multi-Unit Freehold Block & Expats	£1,000	£1,500
Bridging Loan	£1,250	£1,750
Commercial & Development Finance	£1,000	£2,000

Complex cases are usually charged a higher fee; all fees are confirmed in writing before any work commences.

We always charge a fixed fee; we do not charge ‘percentage of the loan’ fees. This way our fees are transparent, and you always know exactly what the fee will be, no matter the size of the loan.

Our fees are based upon the type of mortgage or loan and the lender we have recommended.

## Fee Summary

We will agree the fee with you prior to the commencement of any work during the initial strategy call and will be confirmed on your fee agreement prior to commencement of any work.

We always source a mortgage to fit your requirements and not based on the fees that the lender may pay us.

We will arrange product transfers on the same property for no further fees if a commission is payable by the lender. If a commission isn’t paid by the lender a fee may be charged by mutual agreement and will always be agreed in writing beforehand.

Our fees are usually split throughout the process of your application, we will confirm in writing the breakdown before commencement of any work:

1. Assessment fee - payable prior to researching a lender and making a recommendation.
2. Application fee - payable upon submission of the mortgage application to the lender.
3. Offer fee - payable upon receipt of the mortgage offer from lender.

Fees may vary depending on your personal circumstances, for example if you are an existing client seeking a new mortgage vs. a product transfer with the same lender.

We will receive and retain any commission from the lender when your mortgage completes. This amount will be confirmed by the lender in their disclosure document.

Should you wish, you can request to view the commission rates from each of the lenders we have considered at the time that we make our recommendation to you.

### **Residential Mortgages**

For advising and arranging on a Residential mortgage we typically charge a fee between £500 and £1,000. The exact fee depends on the complexity of the work involved. An example of circumstances is:

- Standard – Employed.
- Complex – Self-Employed, Adverse credit.

### **Let to Buy Mortgages**

For advising and arranging a Let to Buy mortgage on your current home AND a residential mortgage we typically charge a fee between £1,250 and £1,750. The exact fee depends on the complexity of the work involved. An example of circumstances is:

- Standard – Employed.
- Complex – Self-Employed, Adverse credit.

### **Buy To Let Mortgages**

For arranging a Buy To Let mortgage we typically charge a fee between £750 and £1,000. The exact fee depends on the complexity of the work involved. An example of circumstances is:

- Standard – Individual Name.
- Complex – Limited Company.

### **House of Multiple Occupancy (HMO), Multi-Unit Freehold Block (MUFB) & Expats**

For arranging a Buy To Let mortgage we typically charge a fee between £1,000 and £1,500. The exact fee depends on the complexity of the work involved. An example of circumstances is:

- Standard – HMO up to 5 bedrooms.
- Complex – HMO over 5 bedrooms, MUFB & Expats.

### **Bridging Loan**

For arranging Bridging loan, we typically charge a fee between £1,250 and £1,750. The exact fee depends on the complexity of the work involved. An example of circumstances is:

- Standard – Light Bridging.
- Complex – Limited Company Name, Expats.

## **Commercial & Development Finance**

For arranging commercial or development finance we typically charge a fee between £1,000 and £2,000. The exact fee depends on the complexity of the work involved. An example of circumstances is:

- Standard – Land Development.
- Complex – Commercial Property, industrial unit development.

## **Late Payment**

In the event of late payment of the fees stated in the fee agreement we reserve the right to charge the client interest in respect of any sum due under this agreement at a rate of 2% per annum above the Barclays bank base rate from the due date. We also reserve the right to charge any fees incurred in recovering monies owed to us.

## **Refund of fees**

Please note our fee will still be charged should the lender reject your mortgage application due to you not disclosing any material information about your personal situation. It should also be noted we do not provide a refund should you decide not to proceed with the mortgage / finance after we have made a recommendation to you.

## **Non-Investment Protection and General Insurance Contracts**

We do not charge a fee as we will receive commission from the provider/insurer after the policy has been placed on risk.

## **What we don't do**

- Transact business where our advice is ignored.
- Arrange bridging loans with no clear exit strategy or a lack of appropriate income or experience for any exit finance.
- Any form of self-certification mortgage; in all cases we require evidence of income or savings.
- Applications where the deposit source is not clear or comes from an unrelated third party; in all cases we will require evidence of deposit.

## **Will Writing & Estate Planning**

Active Financial Limited work in partnership with Active Will Writers Limited and will only introduce you to their agent with your prior consent.

Active Will Writers Limited, Will Writing and Estate Planning is not regulated by the FCA or part of Active Financial Limited offering and is offered in its own right.

Active Financial Limited accepts no responsibility for this aspect of our business.

Active Will Writers Limited work in association and are agents of Estate Planning Pro Limited. Estate Planning Pro Limited is supported by a team of STEP (Society of Trust and Estate Planners) qualified practitioners at Countrywide Tax & Trust Corporation Ltd, which enables us to advise on the best possible planning to suit your individual needs.

## **Our Ethical Policy**

We are committed to providing the highest standard of advice and service possible. The interest of our customers is paramount to us and to achieve this we have designed our systems and procedures to place you at the heart of our business. In doing so, we will:

- be open, honest and transparent in the way we deal with you;
- not place our interests above yours;
- communicate clearly, promptly and without jargon;
- seek your views and perception of our dealings with you to ensure it meets your expectations or to identify any improvements required.

## **Cancellation rights**

Certain protection and insurance contracts allow you the right to cancel after a contract has been put in force. Prior to you entering a contract of protection or insurance we will provide you with specific details should this apply to include: its duration; conditions, practical instructions and any costs for exercising it, together with the consequences of not exercising it.

## **Instructions**

We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral instructions provided they are confirmed in writing.

## **Complaints**

If you wish to register a complaint, please contact us in writing at Active Financial Limited, Complaints Department, (DBS Data) Buckingham Court, Dairy Road, Chelmsford CM2 6XW or by phone on 01245 850165.

A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request and if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or by contacting them on 0800 023 4567.

## Compensation Scheme

If you make a complaint and we are unable to meet our liabilities, you may be entitled to compensation from the Financial Services Compensation Scheme.

Further information about the limits applicable to the different product types is available from the FSCS at <http://www.fscs.org.uk/what-we-cover/products>

## Client Verification

We may be required to verify the identity of our clients, to obtain information as to the purpose and nature of the business which we conduct on their behalf, and to ensure that the information we hold is up to date. For this purpose, we may use electronic identity verification systems and we may conduct these checks from time to time throughout our relationship, not just at the beginning.

## Law

This agreement is governed and shall be construed in accordance with the Law of **England** and the parties shall submit to the exclusive jurisdiction of the **English** Courts.

## Force Majeure

Active Financial Limited shall not be in breach of this agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.

## Termination

The authority to act on your behalf may be terminated at any time without penalty by either party giving 7 days' notice in writing to that effect to the other, but without prejudice to the completion of transactions already initiated. Any transactions effected before termination and a due proportion of any period charges for services shall be settled to that date.

## Declaration

This is our standard agreement upon which we intend to rely. For your own benefit and protection, you should read the terms carefully before signing. If you do not understand any of these, please ask for further information.

(Applicant One)

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

(Applicant Two)



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