

Key Solutions Mortgages Ltd

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Client Agreement

Buy-to-let Mortgages for Businesses

What we do?



Our Status

Key Solutions is able to act on your behalf in advising you on business buy-to-let mortgages. **This type of loan and advice in relation to it is NOT regulated by the Financial Conduct Authority.** If you later have a complaint about the mortgage or the advice you received from us you will not have any right to refer your complaint to the Financial Ombudsman Service. We are authorised and regulated by the Financial Conduct Authority (FCA) to provide advice on non-investment insurance e.g. term assurance, income protection, critical illness and general insurance from a range of insurers. We are listed on the Financial Services Register and our registration number is 311236. You can check this on the register by visiting the FCA's website <http://www.fsa.gov.uk/Pages/register/index.shtml> or by contacting the FCA at: 25 the North Colonnade, Canary Wharf, London. E14 5HS or telephone 0800 111 6768.

The Financial Conduct Authority

The Financial Conduct Authority is the independent watchdog that regulates financial services. This is an important document that you need to read as it explains the service you are being offered and how you will pay for it; here is an explanation of how the firm operates, the scope of our advice, the services we can provide, an approximation of your costs and how you will pay. Use the information to decide if our services are right for you. The provisions of this Client Agreement will take effect immediately they are provided to you, and will continue in force until they are cancelled by you or us, or they are replaced by an updated Client Agreement.

We will treat non-investment and general insurance clients as “Retail Clients” unless you request otherwise. Only in this regard are you provided with the highest level of protection under the regulatory system and may have the right to take any complaint to the Financial Ombudsman Service.

How does this work?

An Initial Consultation

We offer an initial consultation at our own expense during which we will describe our services more fully, what we believe we can do for you and explain how you will pay. Following our initial discussion, should you decide to go ahead there is a cost for our advice and services.

Our Services

On the basis you decide to go ahead, we will gather and analyse personal financial information about you to understand your aims and objectives. Having first agreed how you wish to proceed, we conduct research and consider your financial objectives and attitude to any risks that may be involved. We discuss and recommend any action we think you should take then, with your agreement, arrange and implement relevant solutions for you.



What can we do to help?



Your Mortgage Objectives

When advising on mortgage products, we will first detail the services we offer and the costs of those services before we analyse your needs. With mortgage products our advice is independent and based on an unlimited and comprehensive range of mortgages from across the market, although not deals that you can only obtain by going direct to a lender. We offer mortgages in the non-business and business markets and for first charge and second charge loans in both markets. It will also take into account any restrictions that you wish to place on the type of products you would be willing to consider. We confirm our recommendations to you in a Reasons for Recommendation letter, which explains our advice and the reasons leading to it.

We advise on mortgage products from the range of mortgages available to “intermediary” firms. Certain lenders may offer products directly to the public, rather than via an intermediary firm, possibly with more favourable terms. Accordingly our recommendation to you will be based on the most suitable mortgage product incorporated within the range available to intermediary firms.

Important. Please note that unlike most mortgage advice, the advice given on **business buy to let mortgages is not regulated** by the Financial Conduct Authority (FCA).

Your Insurance Objectives

When providing you with advice, we will first detail the services we offer and the costs of those services. Having agreed your objectives, we will analyse your situation before making a recommendation, which we will set out within a personalised Demands and Needs recommendation letter. This will be issued to you as a result of your consultation with us to document and explain the recommendations we have made.

How we are paid?



Our Remuneration

We do not ask you to pay anything to us. We are paid commission by one or more mortgage lenders or insurers. These payments are clearly explained in any Mortgage Illustration/KFI or Protection Statement of Price documents we provide you with. You have the right to request information on the levels of commission we will receive from different organisations in relation to any mortgage or protection product recommended. We may also receive commission or other form of benefit from working with a product provider or from another intermediary. We will inform you before the transaction if we are likely to receive such commission or form of benefit from recommending any product to you.

Paying by Commission from the Lender or Insurer

We will receive a commission from the chosen mortgage lender and / or insurer and it will be disclosed in the Key Facts Illustration Plus or European Standardised Information Sheet you will receive relating to your chosen mortgage. In the case of a protection or general insurance policy it will be disclosed in the Statement of Price illustration and Key Features Documents you will receive from the chosen insurer.

Pure Mortgage Business

An example based on a client applying for £100,000 mortgage
Commission from the chosen mortgage lender e.g. £350 The amount of commission we receive from the lender will vary depending on the size, the type and the mortgage term.

Pure Protection business

An example based on a client applying for family protection against death and critical illness cover for £100,000
Commission from the chosen product provider e.g. £600 The amount of commission we receive will vary depending on the insurer, amount of cover, type and the term of the policy, selected additional benefits, your age and health.

For example, if you were to pay £40 per month towards a 19 year towards a Critical Illness policy with a sum assured of £100,000, we might receive a commission of 6% of the sum assured (£600). Following the 5th renewal - 0.003% of the sum assured every year (roughly £3) until the policy ends. We will disclose the amount of any ongoing commission before we carry out the business for you.

General Insurance business

An example based on a client applying for buildings cover of £500,000 and contents cover for £50,000, including accidental damage and a £100 excess
Commission from the chosen product provider e.g. £57 The amount of commission we receive will vary depending on the insurer, amount of cover, type of policy, postcode and type of building, excess and selected additional benefits.

Important, in respect of any regular premium policy which we have arranged for you, should you subsequently cease to pay premiums on the policy and in consequence we are obliged to refund the commission that has been paid to us, we reserve the right to charge you a fee representing the amount we have to repay, for a period of up to four years after commencement of the policy. Should this apply we will confirm the exact amount that will need to be repaid by you. We will not charge any such fee if you exercise your right to cancel in accordance with any cancellation notice sent to you by the Provider.

Mortgage, Protection and General Insurance Business

An example based on a client applying for £100,000 mortgage, including family protection against death and critical illness cover for £100,000, plus the buildings and contents cover shown above	
Commission from the chosen mortgage lender	e.g. £350
Commission from the chosen protection provider	e.g. £600
Commission from the chosen general insurance provider	e.g. £ 57
Total of the commission available:	e.g. £1,007

As we work on commission and do not charge you any fees in advance, you will not receive any refunds if your protection or general insurance policy does not go ahead.

Key Solutions Unique Mortgage Guarantee

When Key solutions issue you with a lending “Agreement In Principle” (AIP) certificate we guarantee that we will secure you a mortgage to that level. If we fail to do so then we will happily refund any costs you have incurred in connection with your application. This guarantee is subject to being able to document confirmation of your income and circumstances. Should you have a change of heart and decide to not proceed with mortgage and/or protection application for any reason that is not deemed to be our fault, then this guarantee will not apply, it will not affect your rights to make a complaint in any way.

Other things you should know (the small print)

VAT

Under current legislation, most of our services are not subject to VAT. However, should this change in future, or if we become aware that VAT will be due in part, we will notify you before conducting any further work.



Communicating with You

When communicating with you, unless otherwise agreed, the acceptable methods of communication will include, letter, email or telephone. We may, at our discretion and unless we hear from you to the contrary, telephone you from time to time between the hours of 9am to 9pm without your prior consent to such contact for the purposes of arranging an appointment or discussing your investments and making any recommendations.

Conflict of Interests

We offer independent financial advice and will act honestly, fairly and in your best interest. Occasionally, a situation might arise where we, or one of our other clients, could potentially have some form of interest in the business that we are transacting for you. If this happens, or we become aware that our interests conflict with yours from working with a product Provider or Lender, we will inform you in writing and ask for your consent before we carry out your instructions and detail the steps we will take to ensure fair treatment. Occasionally we may attend training events which might be funded by / delivered by product providers. These events are designed to enhance our knowledge, therefore enhancing the service we provide for our clients. Further details are available on request.

Risk Factors

We will notify you separately of any specific risk factors that apply to the service we provide for you. However, we cannot be held responsible if the information we hold about you becomes inaccurate in consequence of any material change in your circumstances if you fail to inform us of those changes.

Providing Information to an Insurer or Lender

Your insurance / protection cover is based upon the information you provide to the insurance company. Where you are buying insurance as an individual, this means that you must take 'reasonable care' to answer all questions asked by the insurer fully and accurately. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid.

Lenders and Insurers may search your record at credit reference agencies, as well as information from the Electoral Register. Such agencies will record details of the search whether or not your mortgage application proceeds and this may affect your credit rating. Credit searches and other information which is provided about you and those with whom you are linked financially, may be used by the mortgage lender and other companies to make credit decisions about you, or other members of your household. This information may also be used to take decisions regarding advancing credit to you. By stating a financial association with another party, you are also declaring that you are entitled to disclose information about your joint applicant and/or anyone else referred to by you.

Binding Mortgage Offer

After the lender assesses your application and is satisfied that it will be affordable, it will make a binding offer, which triggers a 7 day reflection period. You may choose to waive the period and accept the offer at an earlier point. If you waive this right to change your mind we will keep a record about your decision.



Instructions

To aid clarification and avoid future misunderstanding, we prefer our clients to give us instructions in writing. At our discretion we may accept oral instructions, provided they are confirmed in writing later. When transmitting applications on your behalf we will take all reasonable steps to ensure that we obtain the best possible result for you. This is known as 'best execution'.

Documentation

We will make arrangements for all of your applications to be registered in your name unless you first instruct us otherwise in writing. All documents showing ownership will be forwarded to you as soon as practicable after we receive them. If there are a number of documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you.

Anti-Money Laundering

Where we are required to verify your identity in accordance with regulatory and statutory requirements, no application will be made until such verification has been obtained. Where a beneficiary is different to the owner or the person paying a premium, both individuals are subject to the regulations and evidence should be obtained for all parties. This requirement will apply at the beginning of our relationship but on occasion, we may be required to reconfirm your current details. We may use online verification in order to assist this process and by signing this document you consent to us using this method.

Your Money

For your additional security we have chosen not to be authorised to handle cash and we cannot accept any cheques payable to ourselves or cash (unless it is in respect of an item for which we have sent you an invoice).

Data Protection

The information you may provide us with is subject to the Data Protection Act 1998 (the "Act") and European General Data Protection Regulation. (GDPR) Personal information provided may be maintained on computer and paper records and will not be disclosed to other parties except other businesses within the same group, any legal representative working exclusively on your behalf that requires our cooperation, representatives of our compliance advisers, our auditors, and any organisation requiring access to such information for regulatory purposes only, or any person having a legal entitlement to access. Some services are provided to our firm by third parties, such as obtaining regulatory advice. By signing this document you consent to us or any company associated with us for processing, both manually and by electronic means your personal data. If at any time you wish us, or any company associated with us, to cease processing your personal data or sensitive personal data. Personal data extends to that of any

information you provide to us in relation to other family members such as your children. e.g. Family information is often required when discussing family protection arrangements. Your information will be retained for no longer than necessary to provide our services to you and as required by legislation. You have the right to request access to your data by the form of a "Data Subject Request" at no charge to yourself and have this provided to you in no more than 40 days. You have the right to withdraw consent at any time as well as the right to erasure. At any point you may request that we erase or delete all and any personal information or data held on you where there is no compelling reason for its continued processing. You have the right to rectification. At any point you may request that we correct or rectify

any personal information or data on you held by ourselves. Please contact 'The Data Controller' at the address shown at the top of this letter. Copies of our Data Protection procedures are available on request. You have the right to make a complaint and seek redress either through the Information Commissioner (ICO) or through the courts. Details are available at <https://ico.org.uk/>

Data held outside of the UK

Product providers and lenders may administer your policy / mortgage, any existing policies you may have with them and provide other services, from centres in countries outside Europe (such as India and the USA) that do not always have the same standard of Data Protection laws as the UK. However, they are required to put a contract in place to ensure that your information is adequately protected, and they will remain bound by their obligations under the Data Protection Act even if / when your personal information is processed outside Europe. Steps are taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data. Subject to some exceptions, you are entitled to have access to your personal and sensitive personal data held by us within a set number of days. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

Future Changes

In accepting this Client Agreement, you agree that we may change the future content without receiving your prior consent to do so, but we will not conduct any business for you following any change unless we have given you at least 5 business days' notice, unless it is impractical to do so.

Law and Limitations on our Liability

This client agreement is governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts. The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Client Agreement.

What if things go wrong?



If you are Unhappy with the Quality of our Service

If you have any **complaint** about the advice you receive or a product that you have taken out through us please contact the Complaints Officer, **at the address at the bottom or telephone number shown at the top of this letter**. A copy of our complaints procedure is available on request.

For Business Buy to Let Mortgages

In relation to Business Buy to Let mortgages and advice **NOT** regulated by the Financial Conduct Authority, if you remain dissatisfied after we have reviewed your complaint **you do NOT have any right to refer your complaint to the Financial Ombudsman Service**. If you make a valid claim against us in respect of the Buy to Let mortgages we arrange for you, and we are unable to meet our liabilities in full, **you will NOT be entitled to redress from the Financial Services Compensation Scheme**.

For Non-Investment Protection and General Insurance Policies

If, after we have reviewed your complaint, you feel dissatisfied because you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service ('FOS'). Full details of the FOS can be found on its website at www.financial-ombudsman.org.uk.

Compensation

If you make a valid claim against us in respect of the insurance policies we arrange for you, and we are unable to meet our liabilities in full, you may be entitled to redress from the Financial Services Compensation Scheme. This depends on the type of business and the circumstances of the claim. Advising

and arranging on non-investment protection insurance is covered for 100% of the claim with no upper limit. Buildings and contents insurance is covered for 90% of the claim with no upper limit. Further information about compensation arrangements is available from the Financial Services Compensation Scheme at: www.fscs.org.uk

Cancellation

Instructions for exercising the cancellation rights for each individual policy or contract, if applicable, will be contained in the relevant product disclosure information and the Reason for Recommendation or Demands and Needs letter which will be issued to you either before, at the time you confirm or when we carry out the instruction.

In most cases you can exercise a right to cancel by withdrawing from the contract. In general terms you will normally have a 30 day cancellation period for a life, protection or payment protection policy. For mortgages there is an initial 7 day reflection period after the mortgage binding offer is received, but there is no right to cancel a mortgage once the transaction has been concluded.



Termination

The authority to act on your behalf may be terminated at any time without penalty by either party giving seven 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 any charges due for services already supplied shall be settled to that date.

Future Reviews

If we arrange a mortgage and/or protection for you we would like to be able to telephone you shortly before your recommended rate expires, to review your arrangement and if appropriate, advise you on any alternative suitable mortgages and/or protection available at the time. Your adviser will discuss this with you in full and give you the opportunity to decline this ongoing service should you see fit and we will amend our records accordingly.

Client Consent

This is our standard client agreement upon which we intend to rely. For your own benefit and protection you should read these terms carefully before accepting them on our electronic consent portal. Access to this portal will be sent to you separately. If you do not understand any point within this agreement please ask for further information.