

Our Remuneration

We, IHI Financial act as intermediary between you, the consumer, and the product provider with whom we place your business.

The background

Pursuant to provision 4.58A of the Central Bank of Ireland's September 2019 Addendum to the Consumer Protection Code, all intermediaries must make available in their public offices, or on their website if they have one, a summary of the details of all arrangements for any fee, commission, other reward or remuneration provided to the intermediary which it has agreed with its product producers.

What is commission?

For the purpose of this document, commission is the payment earned by the intermediary for work undertaken on behalf of both the provider and the consumer. The amount of commission is generally directly related to the value of the products sold.

There are different types of remuneration/commission models:

Single commission model: where payment is made to the intermediary shortly after the sale is completed and is based on a percentage of the premium paid/amount invested.

Trail/Renewal commission model: Further payments at intervals are paid throughout the life span of the product.

Indemnity commission

Indemnity commission is the term used to describe a commission payment made before the commission is deemed to be 'earned'. Indemnity commission may be subject to a clawback (see below) if the consumer lapses or cancels the product before the commission is deemed to be earned.

Other forms of indemnity commission are advances of commission for future sales granted to intermediaries in order to assist with set up costs or business development.

General insurance products

General insurance products, such as motor, home, travel, health, retail or liability insurance, are typically subject to a single or standard commission model, based on the amount of premium charged for the insurance product.

Profit Share arrangements

In some cases, the intermediary may be a party to a profit-share arrangement with a product provider and will earn additional commission. Any business arranged with these product providers on a client's behalf will be placed with the product provider because that product provider is at the time of placement, the most suitable to meet the client's requirements, taking all the client's relevant information, demands and needs into account.

Life Assurance/Investments/Pension products

For Life Assurance products commission is divided into initial commission and renewal commission (related to premium), fund based or trail (relating to accumulated fund).

Trail commission, bullet commission, fund based, flat commission or renewal commission are all terms used for ongoing payments. Where an investment fund is being built up through an insurance-based investment product or a pension product, the increments may be based on a percentage of the value of the fund or the

annual premium. For a single premium/lump sum product, the increment is generally based on the value of the fund.

Life Assurance products fall into either individual or group protection policies and Investment/Pension products would be either single or regular contribution policies. Examples of products include Life Protection, Regular Premium Life Assurance Investments, Single Premium (lump sum) Insurance-based Investments, and Single Premium Pensions.

Investments

Investment firms, which fall within the scope of the European Communities (Markets in Financial Instruments) Regulations 2007 (the MiFID Regulations), offer both standard commission and commission models involving initial and trail commission. Increments may be based on a percentage of the investment management fees, or on the value of the fund.

Credit Products/Mortgages

Commission may be earned by intermediaries for arranging credit for consumers, such as mortgages. The single, or standard, commission model is the most common commission model applied to the sale of mortgage products by mortgage credit intermediaries (Mortgage Broker).

Clawback

Clawback is an obligation on the intermediary to repay unearned commission. Commission can be paid directly after a contract is concluded but is not deemed to be 'earned' until after a specified period of time. If the consumer cancels or withdraws from the financial product within the specified time, the intermediary must return commission to the product producer.

Fees

The firm may also be remunerated by fee by the product producer such as policy fee, admin fee, or in the case of investment firms, advisory fees.

Other Fees, Administrative Costs/ Non-Monetary Benefits

The firm may also be in receipt of other fees, administrative costs, or non-monetary benefits such as:

- Attendance at product provider educational seminars
- Assistance with Advertising/Branding

Below is a detailed breakdown of the maximum commission structures offered by each product provider. However for some time now PM Brennan t/a IHI Group has operated on a preference for flat commission rate models with lower initial commissions and regular sustainable commission on an ongoing basis. This assists us in avoiding any provider bias and in almost all circumstances we do not take the highest initial commission rate available. Specifics of the actual commission payable for an individual policy are provided in the disclosure documentation at policy issue.

In respect of Group Pension & Health Scheme business we offer a comprehensive fee based service with an option for hourly rate fees or project based fees. Full details of these structures can be found here. We also transact Self-Administered (SSAP) pension business with product provider Wealth Options and operate on a shared fee basis for this class of business. In respect of General Insurance business we charge administration fees for new business, mid-year endorsements and renewals. Full details of these charges can be found here.

Maximum Commission Rates

Single Contribution Products	Initial commission	Clawback Period	Renewal/Flat Commission	Trail commission
Single Contribution Pension				
Aviva Life	5%			1% p.a.
Aviva (formerly Friends)	5%			0.75% p.a.
Irish Life	5%			0.75% p.a.
New Ireland	5%	5 Years		1% p.a.
Standard Life	5%			1% p.a.
Zurich Life	5.50%			0.5% p.a.
Single Contribution PRSA				
Aviva Life	4%			0.5% p.a.
Aviva (formerly Friends)	7.50%			0.25% p.a.
Irish Life	5%			0.75% p.a.
New Ireland	7%	5 Years		0.5% p.a.
Standard Life	5%			0.5% p.a.
Zurich Life	5.50%			0% p.a.
ARF / AMRF				
Aviva Life	5%			1% p.a.
Aviva (formerly Friends)	5%			0.75% p.a.
Irish Life	5%			0.75% p.a.
New Ireland	5%	n/a		1% p.a.
Standard Life	4%			1% p.a.
Zurich Life	5%			0.5% p.a.
Annuity				
Aviva Life	3%			n/a
Aviva (formerly Friends)	3%			n/a
Irish Life	3%			n/a
New Ireland	3%			n/a
Standard Life	2%			n/a
Zurich Life	3%			n/a
Investment Bond				
Aviva Life	5%			1% p.a.
Aviva (formerly Friends)	4%			0.75% p.a.
BCP	2.10%			
BlackBee Investments	3%			
Irish Life	3%			0.5% p.a.
New Ireland	4%	3 Years		1% p.a.
Standard Life	4%			1% p.a.
Zurich Life	5%			0.5% p.a.

Regular Contributory Products	Initial Commission	Clawback Period	Renewal/Flat Commission	Trail Commission
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Regular Contribution Pension				
Aviva Life	15%			1% p.a.
Aviva (formerly Friends)	25%			0.75% p.a.
Irish Life	17.50%		5%	0.5% p.a.
New Ireland	25%	5 years	8%	1% p.a.
Standard Life	25%	5 years	5%	1% p.a.
Zurich Life	20%	4 years	3%	0.5% p.a.
Regular Contribution PRSA				
Aviva Life	22.50%			0.5% p.a.
Aviva (formerly Friends)	17.50%			0.25% p.a.
Irish Life	17.50%		5%	0.5% p.a.
New Ireland	25%	5 years	6%	0.5% p.a.
Standard Life	5%		5%	0.5% p.a.
Zurich Life	5%	4 years	5%	0% p.a.
Regular Savings Plans				
Aviva Life	15%			1% p.a.
Aviva (formerly Friends)	10%			0.75% p.a.
Irish Life	5.50%		5.50%	0.5% p.a.
New Ireland	10%	5 years	2.50%	0.5% p.a.
Standard Life	15%	5 years	n/a	1% p.a.
Zurich Life	10%	4 years	1%	0.5% p.a.

Individual Protection	Year 1	2	3	4	5	6	7	8	9+	Clawback Period
Aviva Life	200%	30%	30%	30%	30%	30%	30%	30%	30%	2 years
Irish Life	120%	28%	30%	28%	25%	30%	28%	28%	28%	
New Ireland	225%	50%	20%	20%	20%	12.50%	12.50%	12.50%	12.50%	5 years
Royal London	225%	0%	0%	0%	0%	3%	3%	3%	3%	5 years
Zurich Life	100%	12%	12%	12%	12%	12%	12%	12%	12%	1 year

Group Protection	Death In Service	Clawback Period	Income Protection	Clawback Period
Aviva Life	6% p.a.	1 year	12.5% p.a.	1 year
Elips Life	6% p.a.	1 year	12.5% p.a.	1 year
Irish Life	6% p.a.	1 year	12.5% p.a.	1 year
New Ireland	6% p.a.	1 year	12.5% p.a.	1 year
Zurich Life	6% p.a.	1 year	12.5% p.a.	1 year

Other Products	Commission	Clawback Period

Health - Irish Life Health	6% p.a.	1 year
Health - Hospital Saturday Fund	10% p.a.	1 year
International Health - Allianz Worldwide	10% p.a.	1 year
International Health - Cigna	15% p.a.	1 year
International Health - United Healthcare	10% p.a.	1 year
Dental - De Care Dental	10% p.a.	1 year
Vision - VSP	10% p.a.	1 year

General Insurance	
PM Brennan transacts business with a wide range of insurance providers, below are the classes of businesses that we offer and the maximum commission rates receivable in respect of each class.	
Private Motor	6%
Commercial Motor	5%
Motor Fleet	5%
Motor Traders	7.50%
Household	20%
Mobile Home	10%
Personal Accident	20%
Travel	20%
Office Combined	15%
Commercial Property	15%
Commercial Combined	15%
Employers Liability	6%
Farmers Combined	13%
Public & Products Liability	10%
Directors & Officers	17.50%
Professional Indemnity	17.50%

PM Brennan Ltd t/a IHI Group is Regulated by The Central Bank of Ireland

E&OE
31st March 2020