

Commission Summary Document

We, Fortis Financial Management Ltd, act as intermediary (Broker) 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 quantity or value of the products sold.

There are different types of 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/amount borrowed.

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.

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 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.

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.

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 non-monetary benefits such as:

- Attendance at product provider seminars
- Assistance with Advertising/Branding
- Technical Support and access to computer software and systems

Product Producer	Benefit & Support
Aviva Life & Pension	<ul style="list-style-type: none">• Educational support• Training support• Support for Computer Based system- Aviva Broker Centre
Irish Life Financial Services Ltd	<ul style="list-style-type: none">• Educational support• Training Support• Support for Computer Based system – B-Line
New Ireland Assurance Company	<ul style="list-style-type: none">• Educational Support• Training Support• Support for Computer Based System – New Ireland Broker Centre
Royal London	<ul style="list-style-type: none">• Educational Support• Training Support• Support for Computer Based System – Royal London broker centre
Standard Life	<ul style="list-style-type: none">• Educational Support• Training Support• Support for Computer Based System – Standard Life Broker Zone
Zurich	<ul style="list-style-type: none">• Educational Support• Training Support• Support for Computer Based System – Zurich Broker Centre

The tables below set out the details of the various fees and commission available to our firm from the Product Producers that our firm deals with, which for ease of reference is in alphabetical order.

Fortis Financial Management Remuneration

Table 1.1 Investment & Savings

Product Provider		% Initial Commission Max Year 1	% Recurring Commission Max
Aviva	Investment	5%	0.75%
	Savings	15%	0.75%
Irish Life	Investment	5%	0.75%
	Savings	5.5% (Payable in years 1/3/5/7)	0.75%
New Ireland	Investment	4%	0.75%
	Savings	10%	0.75%
Standard Life	Investment	4%	0.75%
	Savings	15%	0.75%
Zurich	Investment	5%	0.75%
	Savings	10%	0.75%

Clawback can apply on some structures outlined above. The structure of these policies allows for an ongoing payment to the Brokerage to reflect the work in carrying out reviews, dealing with claims and ongoing service. Clawback may arise if a client terminates their policy within a particular period of time.

Table 1.2 Pre-Retirement Pension Contracts:
**Personal Retirement Savings Plan (PRSA), Personal Retirement Bond,
 Single & Regular Premium Pension**

Product Provider	Premium Type	% Initial Commission Max Year 1	% Recurring Commission- Max
Aviva	Single Premium	5%	0.5%
	Regular Premium	25%	0.5%
Irish Life	Single Premium	5%	0.5%
	Regular Premium	17.5% payable in years 1,5,7,9	0.5% (From year 10 onwards)
New Ireland	Single Premium	5%	0.5%
	Regular Premium	25%	0.5%
Standard Life	Single Premium	5%	0.5%
	Regular Premium	25%	0.5%
Zurich	Single Premium	20%	0.5%
	Regular Premium	5.5%	0.5%

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Table 1.3 Post-Retirement Pension Contracts:
Approved Minimum Retirement Fund & Approved Retirement Fund,
Pension Annuities

Product Provider	Product	% Initial Commission Max Year 1	% Recurring Commission-Max
Aviva	AMRF/ARF	5.25%	0.5%
	Annuity	3%	n/a
Irish Life	AMRF/ARF	5%	0.5%
	Annuity	3%	n/a
New Ireland	AMRF/ARF	5%	0.5%
	Annuity	3%	n/a
Standard Life	AMRF/ARF	4%	0.5%
	Annuity	3%	n/a
Zurich	AMRF/ARF	5%	0.5%
	Annuity	0%	0%

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Protection Products

Company	Product	% Initial Max-Year 1	Other Initial	Total Initial	Renewal - Rest of Term
Aviva	Term Protection	100%	0%	100%	10%
	Mortgage Protection	100%	0%	100%	10%
	Serious Illness	100%	0%	100%	10%
	Income Protection	100%	0%	100%	15%
	Pension Term Assurance	100%	0%	100%	10%
	Group Life Cover	6%	0%	6%	6%
	Group PHI	6%	0%	6%	6%
Irish Life					
	Term Protection	100%	Year 2-5: 20%	180%	3% Level 6% Indexed
	Mortgage Protection	100%	Year 2-5: 20%	180%	3% Level 6% Indexed
	Serious Illness	100%	Year 2-5: 20%	180%	3% Level 6% Indexed
	Pension Term Assurance	100%	Year 2-5: 20%	180%	3% Level 6% Indexed
	Whole of Life	100%	Year 2-5: 20%	180%	3% Level 6% Indexed
	Income Protection	120%	Year 3 & Year 6: 30%	180%	From Year 7: 3% Level/6% indexed
	Group Life Cover	6%	0%	6%	6% pa
	Group Income Protection	12.5%	0%	12.5%	12.5% pa
New Ireland					
	Term Protection	100%	Year 2-5: 20%	180%	3%
	Mortgage Protection	100%	Year 2-5: 20%	180%	3%
	Serious Illness	100%	Year 2-5: 20%	180%	3%
	Pension Term Assurance	130%	0%	130%	3%

	Income Protection	130%	0%	130%	3%
	Group Life Cover	15%	0%	15%	15%
	Group PHI	20%	0%	20%	20%
Royal London					
	Term Protection	100%	Year 2-5: 20%	180%	3%
	Mortgage Protection	100%	Year 2-5: 20%	180%	3%
	Serious Illness	100%	Year 2-5: 20%	180%	3%
	Pension Term Assurance				
	Whole of Life	100%	Year 2-5: 20%	180%	3%
	Income Protection	100%	Year 2: 40% Year 3-5: 20%	200%	3%
Zurich					
	Term Protection	100%	Year 2-9: 12%	208%	3%
	Mortgage Protection	100%	Year 2-9: 12%	208%	3%
	Serious Illness	100%	Year 2-9: 12%	208%	3%
	Whole of Life	90%	Year 2-5: 18%	162%	3%
	Group Life Cover	6%	0%	6%	6%
	Group PHI	12.5%	0%	12.5%	12.5%

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