



## Remuneration

We at Fusion Finance act as an intermediary between you, the consumer, and the product provider with whom we place your business.

### The background

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

We are remunerated by commission and other payments from product producers. When assessing products, we will consider the different approaches taken by product providers in terms of integrating sustainability risks into their product offerings. This will form part of our analysis for choosing a product provider.

### Details of Commission Range

Our firm's commission options are displayed as a range, showing the maximum amount that can be received. The level of commission depends on individual circumstances, based on the following factors:

- The firm's discretion
- Whether the level of commission is negotiable
- Client relationship
- Length / Term of the policy or contract
- Size of the investment
- Commercial decision
- Complexity of the case
- Product constraints/rules set by the product provider

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/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 claw back (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 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, 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 the value of the fund.

### **Clawback**

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

### **Fees**

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

### **Preferred Provider Rate**

Fusion Finance has selected one preferred product producer, Irish Life Assurance Plc for life insurance plans (including life assurance, specified illness cover, income protection, unit-linked savings, investments,

and pension plans), tracker bonds, and Personal Retirement Savings Accounts (PRSAs). Analysis of the market will be limited to products provided by Irish Life Assurance Plc. This arrangement benefits our firm greatly ensuring we are more consistent and compliant in our approach to advising consumers. Where Irish Life Assurance Plc cannot provide a product/service that we would alternatively recommend to a customer to suit their specific circumstances, we can offer the customer products and services from a list of our other agencies. This list is available on our terms of business document.

**Other Fees, Administrative Costs/ Non-Monetary Benefits**

The firm may also receive other fees, administrative costs, or non-monetary benefits such as:

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

## Maximum Commission Rates

Single Contribution Products	Initial commission	Claw back Period	Trail commission
Single Contribution Pension			
Aviva	5%		1% p.a.
Friends First	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	5.5%		0.5% p.a.
Single Contribution PRSA			
Aviva	4%		0.5% p.a.
Friends First	7.5%		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	5.5%		0% p.a.
ARF / AMRF			
Aviva	5%		1% p.a.
Friends First	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	3%		n/a
Friends First	3%		n/a
Irish Life	3%		n/a
New Ireland	3%	n/a	n/a
Zurich Life	3%		n/a
Investment Bond			
Aviva	5%		1% p.a.
BCP	2.1%		
BlackBee Investments	3%		
Broker Solutions	2.5%		
Cantor Fitzgerald Ireland Ltd.	2.25%		
Friends First	4%		0.75% p.a.
Investec Europe Limited	2.25%		
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.

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Regular Contribution Products	Initial commission	Clawback Period	Renewal / Flat Commission	Trail commission
Regular Contribution Pension				
Aviva	15%			1% p.a.

Friends First	25%			0.75% p.a.
Irish Life	17.5%		5%	0.5% p.a.
New Ireland	25%	5 Years	8%	1% p.a.
Standard Life	25%		5%	1% p.a.
Zurich Life	20%	4 Years	3%	0.5% p.a.
Regular Contribution PRSA				
Aviva	22.5%			0.5% p.a.
Friends First	17.5%			0.25% p.a.
Irish Life	17.5%		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.
Savings				
Aviva	15%			1% p.a.
Friends First	10%			0.75% p.a.
Irish Life	5.5%		5.5%	0.5% p.a.
New Ireland	10%	5 Years	2.5%	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	Yr1	2	3	4	5	6	7	8	9+	Clawback Period
Aviva	200 %	30%	30%	30%	30%	30%	30%	30%	30%	2 Years
Irish Life	120 %	28%	30%	28%	28%	30%	28%	28%	28%	
New Ireland	225 %	50%	20%	20%	20%	12.5 %	12.5 %	12.5 %	12.5 %	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	Permanent Health Insurance	Clawback Period
Aviva	6%		12.5%	
Irish Life	6% p.a.		12.5% p.a.	
New Ireland	15%	1 Year	20%	1 Year
Zurich Life	6%	n/a	12.5%	n/a

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