

Our Remuneration

We, Ethico act as an 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, 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 related to the value of the products sold.

Details of Commission Range

Our firm's commission options are displayed as a range, showing the maximum amount which 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 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 to assist with set up costs or business development.

Sustainability Factors – Investments/IBIPs/Pension Advice

We take due care so that our internal remuneration policy with respect to investment or insurance advice on insurance-based investment products ('IBIPs') promotes sound and effective risk management in relation to sustainability risks and does not encourage excessive risk-taking with respect to sustainability risks.

When assessing products, we will consider the different approach taken by product providers in terms of them integrating sustainability risks into their product offering. This will form part of our analysis for choosing a product provider.

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. If the consumer cancels or withdraws from the financial product within the specified time, the intermediary must return commission to the product producer.

Fees

No fees are received from product producers. Clients can choose to pay Ethico by way of fee as per our Terms of Business.

Preferred Provider Rate

Ethico do not have any preferred provider agreements. We endeavour to take the same remuneration regardless of the provider in question.

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 seminars for educational and research purposes and may include hospitality/refreshments.
- Assistance with advertising/branding in terms of access to expertise and knowledge of product provider staff and market research. No monetary assistance in respect of marketing is accepted by Ethico.

Updated 1 June 2023

SINGLE CONTRIBUTION MAXIMUM COMMISSION RATES			
SINGLE CONTRIBUTION PRODUCTS	INITIAL COMMISSION	CLAWBACK PERIOD	TRAIL COMMISSION
Single Contribution Pensions			
AVIVA	5%		1% PA
DAVY SELECT			0.5%
FRIENDS FIRST	5%		0.75% PA
IRISH LIFE	5%		0.75% PA
NEW IRELAND	5%	5 Years	1% PA
STANDARD LIFE	5%		1% PA
ZURICH LIFE	5.5%		0.5% PA
Single Contribution PRSA			
AVIVA	4%		0.5% PA
DAVY SELECT			0.5%
FRIENDS FIRST	7.5%		0.25% PA
IRISH LIFE	5%		0.75% PA
NEW IRELAND	7%	5 Years	0.5% PA
STANDARD LIFE	5%		0.5% PA
ZURICH LIFE	5.5%		0%
ARF			
AVIVA	5%		1% PA
DAVY SELECT			0.5%
FRIENDS FIRST	5%		0.75% PA
IRISH LIFE	5%		0.75% PA
NEW IRELAND	5%	N/A	1% PA
STANDARD LIFE	4%		1% PA
ZURICH LIFE	5%		0.5% PA
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% PA
BCP	2.1%		
BROKER SOLUTIONS	2.5%		
CANTOR FITZGERALD IRELAND LTD	2.25%		
DAVY SELECT			0.5%
FRIENDS FIRST	4%		0.75% PA
INVESTEC EUROPE LIMITED	2.25%		
IRISH LIFE	3%		0.5% PA
NEW IRELAND	4%	3 Years	1% PA
STANDARD LIFE	4%		1% PA
ZURICH LIFE	5%		0.5% PA

REGULAR CONTRIBUTION MAXIMUM COMMISSION RATES				
REGULAR CONTRIBUTION PRODUCTS	INITIAL COMMISSION	CLAWBACK PERIOD	RENEWAL/FLAT COMMISSION	TRAIL COMMISSION
Regular Contribution Pension				
AVIVA	15%			1% PA
DAVY SELECT				0.5%
FRIENDS FIRST	25%			0.75% PA
IRISH LIFE	17.5%		5%	0.5% PA
NEW IRELAND	25%	5 Years	8%	1% PA
STANDARD LIFE	25%		5%	1% PA
ZURICH LIFE	20%	4 Years	3%	0.5% PA
Regular Contribution PRSA				
AVIVA	22.5%			0.5% PA
DAVY SELECT				0.5%
FRIENDS FIRST	17.5%			0.25% PA
IRISH LIFE	17.5%		5%	0.5% PA
NEW IRELAND	25%	5 Years	6%	0.5% PA
STANDARD LIFE	5%		5%	0.5% PA
ZURICH LIFE	5%	4 Years	5%	0%
Savings				
AVIVA	15%			1%PA
DAVY SELECT				0.5%
FRIENDS FIRST	10%			0.75% PA
IRISH LIFE	5.5%		5.5%	0.5% PA
NEW IRELAND	10%	5 Years	2.5%	0.5% PA
STANDARD LIFE	15%	5 Years	N/A	1% PA
ZURICH LIFE	10%	4 Years	1%	0.5% PA

INDIVIDUAL PROTECTION MAXIMUM COMMISSION RATES										
INDIVIDUAL PROTECTION	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9+	CLAW-BACK 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 MAXIMUM COMMISSION RATES				
GROUP PROTECTION	DEATH IN SERVICE	CLAW-BACK PERIOD	PERMANENT HEALTH INSURANCE	CLAWBACK PERIOD
AVIVA	6%		12.5%	
IRISH LIFE	6% PA		12.5% PA	
NEW IRELAND	15%	1 YEAR	20%	1 YEAR
ZURICH	6%		12.5%	

MORTGAGE MAXIMUM COMMISSION RATES		
MORTGAGES	COMMISSION	CLAW-BACK PERIOD
Avantcard DAC t/a Avant Money	0.25% - 1%	3 YEARS
BANK OF IRELAND MORTGAGES	0.25% - 1%	3 YEARS
FINANCE IRELAND	0.25% - 1%	3 YEARS
HAVEN	0.25% - 1%	3 YEARS
PERMANENT TSB	0.25% - 1%	3 YEARS