

Commission Summary

For holdings migrated from Bank of Ireland Private to J & E Davy Unlimited Company

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.

The purpose of this document is to provide you with a summary of the commissions J&E Davy Unlimited Company ("Davy") receives as an intermediary of New Ireland Assurance Company plc for the holdings migrated from Bank of Ireland Private. You can expect to receive the exact details of what Davy will receive in documents you will be given if and when you purchase a product. In this document, we refer to fees, commissions, rewards & remuneration collectively as "Commissions" unless we say otherwise.

What are commissions?

Commissions are received by Davy from New Ireland Assurance Company plc for the work they carry out in relation to the sale of life assurance products (i.e. life and/or serious illness policies, investment policies or pensions). The amount of commissions can vary and the amount Davy will receive is generally expressed in terms of a percentage of the contributions (sometimes called premiums) paid by you or in terms of a percentage of your policy value. If you make regular payments New Ireland Assurance Company plc looks at the amount paid by you over a period of time and if not, New Ireland Assurance Company plc looks at the lump sum amount you paid when you took the product out (or later if you decide to pay additional amounts). If you:

- change your mind and exercise your cooling off right;
- decide to cancel your policy;
- stop paying contributions; or
- reduce the amount you are paying in on a regular basis;

New Ireland Assurance Company plc will stop paying commissions or reduce the amount of commissions being paid (as appropriate). New Ireland Assurance Company plc may also seek to recover a proportionate amount of initial commission paid depending on when you make the change. When New Ireland Assurance Company plc seek to recover an amount already paid this is sometimes referred to as a clawback of commissions. Further details are set out below.

When we talk about commissions we distinguish between initial, renewal, trail and flat commissions. Davy may receive one or more of these. We explain these terms further below.

What are the different types of commissions?

The commission types paid by New Ireland Assurance Company plc to Davy are as follows:

Initial commission: An initial amount paid following the sale of a product calculated based on a percentage of a lump sum amount paid in to the policy or as a percentage of regular amounts paid over the first year of the policy. By way of examples, an initial commission of 5% on a lump sum amount paid into an investment policy of €10,000 would generate an initial commission payment of €500 to Davy (i.e. €10,000 x 5%) and an initial commission of 10% on regular monthly premiums of €100 to an investment policy would generate €120 in initial commission (€100 x 12 x 10%).

If during the term of the policy you decide to increase the amount you regularly pay in, New Ireland Assurance Company plc will pay initial commission on the increase. By way of example, if you pay €100 a month for 12 months and then increase your payments to €120 from then on, the initial commission would be €144 i.e. (€100x12x10% paid at the start of the policy) plus (€20x12x10% paid on the increased amount for first year of increase).

As mentioned above, if payments cease or are reduced during the period that initial commission is earned, then New Ireland Assurance Company plc may seek to recover or claw back a proportionate amount. By way of example, if a policy is cancelled half way through the period when a clawback applies (clawback period), New Ireland Assurance Company plc would seek to recover from Davy half of the initial commission it already paid.

Renewal commission: This is calculated as a percentage of amounts paid in. This is paid from the second year of your policy for as long as premiums continue to be paid and is usually paid in addition to initial commission. By way of example, renewal commission of 5% on a monthly premium of €100 would generate €60 renewal commission (€100 x 12 x 5%) each year starting from the second year of the policy.

Flat commission: This is calculated as a percentage of amounts paid in. This is earned from the start of a policy for as long as premiums continue to be paid and if flat commission applies, no initial or renewal commission is paid. By way of example, a flat commission of 3% on a monthly premium of €100 would generate €36 commission (€100 x 12 x 3%) each year of the policy.

Trail commission: This is calculated as a percentage of the policy value on the date the payment is due to Davy. By way of example, trail commission of 0.5% per annum on a policy with a value of €10,000 would result in a trail commission payment of €50 (i.e. €10,000 x 0.5%) for that year and is calculated again the next year. Trail commission starts from the second month of a policy and will be paid for as long as the policy remains in force.

What levels of commissions are paid?

The amount of commissions paid varies by product type and the size, number and frequency of payments made by the consumer who purchases the product. Some products will involve one or more lump sum payments being made by a consumer (sometimes referred to as a single contribution product) while others will involve the consumer making regular payments (sometimes referred to as a regular contribution product). Some products permit a consumer to make both lump sum payments and regular contributions. In general, the maximum commissions paid by New Ireland Assurance Company plc to Davy are as set out in the tables below.

Single contribution products

		Initial commission*	Clawback Period	Trail commission per annum (p.a.)**
Single Contribution Pension	Max	5%	5 years	0.5%
Single Contribution PRSA	Max	7%	5 years	0.5%
Approved (Minimum) Retirement Funds	Max	5%	n/a	0.5%
Annuities	Max	3%	n/a	n/a
Single Premium Investment Policies	Max	2.75%	4 years	0.3%

*Calculated as a percentage of the lump sum payment paid into a policy.

** Calculated as a percentage of policy value on the date the trail commission is due to be paid to Davy.

Regular contribution products

		Initial commission*	Clawback Period	Renewal Commission (p.a.)**	Flat Commission (p.a.)**	Trail commission per annum (p.a.)***
Regular Contribution Pension	Max	25%	5 years	8%	8%	0.5%
Regular Contribution PRSA	Max	25%	5 years	6%	6%	0.5%
Savings Plan	Max	10%	5 years	2.5%	2.5%	0.5%

*Calculated as a percentage of the total amounts paid in over the first year of the policy.

** Renewal or flat commission is calculated as a percentage of each amount paid into the policy.

*** Trail commission is calculated as a percentage of policy value on the date due to Davy.

Protection Products take out by individual consumers

(i.e. life, mortgage protection, serious illness and income protection policies)

Year	1	2	3	4	5	6	7	8	9+
Maximum Commission *	175%	50%	20%	20%	20%	12.5%	12.5%	12.5%	12.5%
Clawback Period	5 years								

*Initial commission is calculated as a percentage of the premiums paid in the first year of the policy and renewal commission is paid from the second year of the policy and is calculated as a percentage of the premiums paid over the relevant year.

Other fees, administrative costs or non-monetary benefits that may be paid?

From time to time, New Ireland Assurance Company plc may pay Davy other fees, administrative costs or non-monetary services and benefits such as:

- Educational support including attendance at training seminars, training allowance support payments and membership to relevant professional bodies

The information provided in this document is general in nature and not specific to any individual client. Clients should refer to documents provided at the point of sale or contact your Davy adviser for information specific to your individual situation.