

This website is for Financial Broker use only. For consumer information, please visit [Aviva.ie](https://www.aviva.ie) × X

We use cookies to give you the best possible online experience. If you continue, we will assume that you are happy for your web browser to receive all cookies from our website. See our [cookie policy](#) for more information on cookies and how to manage them.

Aviva Life & Pensions Ireland DAC

Standard Commission Terms

Standard Commission Terms as at:

Tue Mar 31 2020 14:05:26 GMT+0100 (Irish Standard Time)

The Intermediary (Broker) acts between you, the consumer, and the product provider with whom they place 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 premium 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

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.

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.

Flexible Protection, Mortgage Protection Plan, Personal and Executive Pension Term Assurance

-	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7+
Rate	22% -	3% -	3% -	3% -	3% -	3% -	3% -
Range	150%	22%	22%	22%	22%	22%	22%

Personal & Executive Income Protection & Wage Protector

-	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7+
Rate	30% -	15% -	15% -	15% -	3% -	3% -	3% -
Range	200%	30%	30%	30%	30%	30%	30%

Heritage Aviva Product

Single Contribution Pension	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	5%	1%	n/a

Single Contribution PRSA	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	4%	0.50%	n/a

Approved (Minimum) Retirement Funds	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	5%	1%	n/a

Annuities	Initial	Trail	Bullet
Default	2%	n/a	n/a
Max	3%	n/a	n/a

Investment Bonds	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	5%	1%	n/a

Heritage Friends Product

Single Contribution Pension	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	5%	0.75%	n/a

Single Contribution PRSA	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	7.5%	0.25%	n/a

Approved (Minimum) Retirement Funds	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	5%	0.75%	n/a

Annuities	Initial	Trail	Bullet
Default	2%	n/a	n/a
Max	3%	n/a	n/a

Investment Bonds	Initial	Trail	Bullet
Default	n/a	n/a	n/a
Max	4%	0.75%	n/a

Group Life

-	Year 1	Year 2
Default	Flat commission of either 0% or 6%	0% or 6% each year thereafter
Max	6%	6%

Group Income Protection

-	Year 1	Year 2
Default	Flat commission of either 0% or 12.5%	0 or 12.5% each year thereafter
Max	12.5%	12.5%

The above information is provided on a non-reliance basis and for informative purposes only.

It is the responsibility of the intermediary to ensure the accuracy of the above information and to disclose this information to the consumer.

Life & Pensions Ireland Designated Activity Company, a private company limited by shares. Registered in Ireland No. 165970. Registered office at One Park Place, Hatch Street, Dublin 2, D02 E651. Aviva Life & Pensions Ireland Designated Activity Company, trading as Aviva Life & Pensions Ireland and Friends First, is regulated by the Central Bank of Ireland. Tel (01) 898 7950.