

Commission Disclosure Statement

Who are we?

Peak Financial Limited act as intermediary (Broker) between you, the consumer, and the product provider with whom we place your business. As a result, we receive remuneration from product providers and the purpose of this document is to clearly outline and relay this remuneration to our clients.

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, 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?

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 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.

Details of Commission Range

Peak Financial Limited'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/standard 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.

General insurance products

General insurance products, such as motor, home, travel, health, retail or liability insurance, are typically subject to a single or standard commission model, based on the amount of premium charged for the insurance product.

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 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 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. Please see our Terms of Business for more information.

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 educational seminars
- Assistance with Advertising/Branding

MAXIMUM COMMISSION RATES

Please note that these are maximum commission/fee rates. Any charge for a specific product or service will be clearly communicated to you in your letter of engagement and on the statement of suitability for the specific financial product.

Single contribution products

	Initial commission	Clawback Period	Trail commission
Single Contribution Pension			
ITC – Max Commission			1%
Irish Life – Max Commission	5%		1%
Irish Life - Platform			1%

Aviva – Max Commission	5%		1%
Zurich – Max Commission	5.5%		1%
Newcourt Trustees – Max Commission	2%		1%
Single Contribution PRSA			
ITC – Max Commission			1%
Irish Life – Max Commission	5%		1%
Irish Life - Platform			1%
Aviva – Max Commission	5%		1%
Zurich – Max Commission	5.5%		1%
Newcourt Trustees – Max Commission	2%		1%
Investment Bonds			
Irish Life – Max Commission	3%		1%
Irish Life Platform			1%
Aviva – Max Commission	5%		1%
Zurich – Max Commission	5%		1%
Investment Only			
Conexim – Max Commission			1%
Cantor – Max Commission			1%
Approved Retirement Funds			
	Initial Commission		Trail Commission
ITC – Max Commission			1%
Irish Life – Max Commission	5%		1%
Aviva – Max Commission	5%		1%
Zurich – Max Commission	5.5%		1%
Conexim			1%
Newcourt Trustees	2%		1%
Annuities			
Irish Life – Max Commission	3%		n/a
Aviva – Max Commission	3%		n/a
Zurich – Max Commission	3%		n/a

Regular contribution products

	Initial commission	Clawback Period	Renewal / Bullet Commission	Trail commission
Regular Contribution Pension				
ITC – Max Commission				1%
Irish Life – Max Commission	17.5%		5%	1%
Irish Life Portal				1%
Aviva – Max Commission	15%			1%
Zurich – Max Commission	20%			1%
Newcourt Trustees – Max Commission	2%			1%
Regular Contribution PRSA				
ITC – Max Commission				1%
Irish Life – Max Commission	17.5%		5%	1%

Irish Life Platform				1%
Aviva – Max Commission	22.5%			1%
Zurich – Max Commission	5%		5%	1%
Newcourt Trustees				
Savings Plan				
Conexim – Max Commission				1%
Irish Life – Max Commission	5.5%		5.5%	1%
Irish Life Platform				1%
Aviva – Max Commission	15%			1%
Zurich – Max Commission	10%	4 years	1%	1%

Protection products (commission payable as a percentage of premium)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+	Clawback Period
Irish Life	120%	28%	30%	28%	30%	28%	Varies
Aviva	200%	30%	30%	30%	30%	30%	2 years
Royal London	100%	60%	20%	20%	20%		1 year
Zurich	100%	12%	12%	12%	12%	12%	1 year

Mortgage products (commission payable as a percentage of mortgage drawdown)

	Year 1	Clawback Period
Brokers Ireland	1%	3 years

We trust that this document in conjunction with our Terms of Business clearly outlines and discloses in detail all remuneration received by our company, however, should you have any queries in relation to your own specific products or policies please contact us on + 01 912 5155 or email info@peakfinancial.ie



Peak Financial Limited is regulated by the Central Bank of Ireland.