

Life & Pensions Remunerations

31 March 2020



In most circumstances, Allied Irish Banks p.l.c. (AIB) are remunerated for its services through the receipt of commission paid by Irish Life. AIB provides a range of services to a large number of clients and consequently the amount of commission may vary depending on a number of factors, including the type of insurance product and the term of the insurance. Commission rates can vary from transaction to transaction. We have set out below the range of commissions we receive. We will always disclose fully the amount of commission received in respect of each individual policy and this will form part of the Welcome Pack each customer receives from Irish Life.

How We Are Paid

The role of AIB is to provide financial advice on the needs identified during a financial review and to recommend an appropriate product to meet these needs for our customers. AIB is tied to Irish Life for life and pensions business and so can only recommend a product provided by Irish Life. Where permitted by applicable law and/or regulation, we may receive remuneration from Irish Life through one or a combination of the methods listed below.

Table of Commission Rates Received

Product	Initial Commission	Bullet Payments	Commission Clawback	Renewal Commission (per annum)	Trail Commission (per annum)
Pensions	0% - 20%	n/a	0 – 5 years	0% - 2%	0% - 0.20%
Protection	0% - 120%	16% per annum years 3-7	0 - 2 years	3%	0%
Savings	1.75% - 3.50%	n/a	1 – 2 years	0% -3.50%	0%
Investments	2.50% - 3.25%	n/a	0 – 5 years	0%	0.11%

Products no longer available to new customers

Product	Initial Commission	Bullet Payments	Commission Clawback	Renewal Commission	Trail Commission (per annum)
Pensions	0.75% - 1.00%	n/a	2 years	n/a	0.325%

Definitions

Remuneration type	Definition
Initial Commission	The commission paid when a client first purchases an insurance product. For single premiums, it is expressed as a percentage of the premium paid. For regular premiums, it is expressed as a percentage of the total premiums expected to be paid in the first year of the contract.

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Remuneration type	Definition
Bullet Payments	A commission payment made to an Intermediary at a future date if the policy is still in force at that time, expressed as a percentage of the premium paid in that year.
Commission 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.
Renewal Commission	An annual commission payment that is expressed as a percentage of the premiums received in future years.
Trail Commission	An annual commission payment that is expressed as a percentage of the value of the client's fund at the time of the payment.

Marketing Budget

Irish Life also provide an annual marketing fund to AIB which equates to less than 1% of our income per policy.

Non Monetary Benefits

As a tied agent of Irish Life, AIB also receives other non-monetary benefits which are provided by Irish Life. A summary of these are listed below.

Non-Monetary Benefit	Description
Training Support	Irish Life provide training support e.g. product training, system training, amenities for training etc.
Equipment & Software	Irish Life provide equipment such as laptops etc. Irish Life also provide software support and pay license fees required as part of our provision of advice to our customers.
Merchandising	Irish Life provide product documentation, brochureware, pens, leaflets etc.
Customer Incentives	Irish Life provide customer incentives e.g. customer prizes in local initiatives designed to increase the number of customers who avail of the free financial review.

Allied Irish Banks, p.l.c. is tied to Irish Life Assurance plc for life and pensions business.

Allied Irish Banks, p.l.c. and Irish Life Assurance plc are regulated by the Central Bank of Ireland.