

Terms of Business

Veterinary Ireland Financial Services Limited trading as Veterinary Ireland Financial Services

Updated March 2018

Veterinary Ireland Financial Services Ltd:

These Terms of Business set out the general terms under which our firm will provide business services to you and the respective duties and responsibilities of both the firm and you in relation to such services. Please ensure that you read these terms thoroughly and if you have any queries we will be happy to clarify them. If any material changes are made to these terms we will notify you.

Authorisation with the Central Bank of Ireland

Veterinary Ireland Financial Services Limited trading as Veterinary Ireland Financial Services (C87610) is regulated by the Central Bank of Ireland as an insurance intermediary registered under the European Communities (Insurance Mediation) Regulations, 2005; as an Investment Intermediary authorised under the Investment Intermediaries Act. Copies of our regulatory authorisations are available on request. The Central Bank of Ireland holds registers of regulated firms. You may contact the Central Bank of Ireland on 1890 777 777 or alternatively visit their website at www.centralbank.ie to verify our credentials.

Codes of Conduct

Veterinary Ireland Financial Services Ltd. is subject to the Consumer Protection Code, Minimum Competency Code and Fitness & Probity Standards which offer protection to consumers. These Codes can be found on the Central Bank's website www.centralbank.ie

Our Services

Veterinary Ireland Financial Services Ltd. is a member of Brokers Ireland.

Our principal business is to provide a full financial planning and advice service. This may include arranging transactions on behalf of clients in relation to life & pensions, investments or general insurance products. A full list of insurers, product producers and lending agencies with which we deal is available on request.

Insurance Intermediary Services

Veterinary Ireland Financial Services Ltd. operates on the basis that:

- a) the principal regulated activities of the firm are provided on the basis of a fair analysis of the market; and
- b) you have the option to pay in full for our services by means of a fee.

Fair Analysis

The concept of fair analysis is derived from the Insurance Mediation Directive. It describes the extent of the choice of products and providers offered by an intermediary within a particular category of life assurance, general insurance and or a specialist area. The number of contracts and providers considered must be sufficiently large to enable an intermediary to recommend a product that would be adequate to meet a client's needs.

Veterinary Ireland Financial Services Ltd. is regulated by the Central Bank of Ireland.

Directors: Finbarr Murphy BA MA (Managing); Paschal Gibbons MVB MRCVS; Mary Goodman Mehigan QFA; Pat Kirwan MVB CertPM.

Registered office: 13 The Courtyard, Kilcarbery Park, Nongor Road, Dublin 22. Registered in Ireland. Registered number. 497633

The number of providers that constitutes 'sufficiently large' will vary depending on the number of providers operating in the market for a particular product or service and their relative importance in and share of that market. The extent of fair analysis must be such that could be reasonably expected of a professional conducting business, taking into account the accessibility of information and product placement to intermediaries and the cost of the search

In order to ensure that the number of contracts and providers is sufficiently large to constitute a fair analysis of the market, we will consider the following criteria:

- the needs of the customer,
- the size of the customer order,
- the number of providers in the market that deal with brokers,
- the market share of each of those providers,
- the number of relevant products available from each provider,
- the availability of information about the products,
- the quality of the product and service provided by the provider,
- cost, and
- any other relevant consideration.

Investment Intermediary Services

Veterinary Ireland Financial Services Ltd provides investment Intermediary services and clients can choose to pay fees to access our services. A schedule of our fees are outlined below.

Life, Pensions & Investments

Veterinary Ireland Financial Services Ltd. provides life assurance, pensions and investments on a fair analysis basis in accordance with professional criteria, regarding which contract would be adequate to meet your needs.

We will provide assistance to you for any queries you may have in relation to the policies or in the event of a claim during the life of the policies and we will explain to you the various restrictions, conditions and exclusions attached to your policy. However, it is your responsibility to read the policy documents, literature and brochures to ensure that you understand the nature of the policy cover; particularly in relation to PHI and serious illness policies.

Specifically, on the subject of permanent health insurance policies it is our policy to explain to you a) the meaning of disability as defined in the policy; b) the benefits available under the policy; c) the general exclusions that apply to the policy; and d) the reductions applied to the benefit where there are disability payments from other sources.

For a serious illness policy, we will explain clearly to you the restrictions, conditions and general exclusions that attach to that policy.

Disclosure of Information

Any failure to disclose material information may invalidate your claim and render your policy void.

Veterinary Ireland Financial Services Ltd. is remunerated by commission and other payments from product producers or lenders on the completion of business. You may choose to pay in full for our services by means of a fee. Where we receive recurring commission, this forms part of the remuneration for initial advice provided. We reserve the right to charge additional fees if the number of hours relating to on-going advice/assistance exceeds 10 hrs.

In certain circumstances, it will be necessary to charge a fee for services provided. These are listed below for life, pensions & investments and PRSAs. In other circumstances where fees are chargeable or where you choose to pay in full for our service by fee, we will notify you in writing in advance and agree the scale of fees to be charged if different from fees outlined below.

If we receive commission from a product provider, this may be offset against the fee which we will charge you. Where the commission is greater than the fee due, the commission may become the amount payable to the firm unless an arrangement to the contrary is made.

Non-Life

Veterinary Ireland Financial Services Limited refer clients to JLT Insurance Brokers Ireland Limited for non-life business if they have consented to having their details referred to JLT.

Life, Pensions & Life wrapped Investment Fees

You may elect to deal with us on a fee basis and these are the hourly fees that apply:

Principals / Directors	€250
Senior Advisers	€180
Associates	€100
Support staff	€60

We will notify you in advance and agree the scale of fees to be charged.

Personal Retirement Savings Accounts (PRSAs) – Fees

Where advice is requested for PRSAs, the following hourly fees will apply:

Principals / Directors	€250
Senior Advisers	€180
Associates	€100
Support staff	€60

Ongoing Suitability: Investments

Ongoing suitability assessments form part of the service to clients. On an annual basis the firm will issue a client report outlining changes in the services or instruments involved and/or the circumstances of the client.

Regular Reviews

It is in your best interests that you review, on a regular basis, the products which we have arranged for you. As your circumstances change, your needs will change. You must advise us of those changes and request a review of the relevant policy so that we can ensure that you are provided with up to date advice and products best suited to your needs. Failure to contact us in relation to changes in your circumstances or failure to request a review, may result in you having insufficient insurance cover and/or inappropriate investments.

Conflicts of interest

It is the policy of our firm to avoid conflicts of interest in providing services to you. However, where an unavoidable conflict of interest arises we will advise you of this in writing before providing you with any service. A full copy of our conflicts of interest policy is available on request.

Default on payments by clients

Our firm will exercise its legal rights to receive payments due to it from clients (fees and insurance premiums) for services provided. In particular, without limitation of the generality of the foregoing, the firm will seek reimbursement for all payments made to insurers on behalf of clients where the firm has acted in good faith in renewing a policy of insurance for the client.

Product producers may withdraw benefits or cover in the event of default on payments due under policies of insurance or other products arranged for you. We would refer you to policy documents or product terms for the details of such provisions.

Complaints

Whilst we are happy to receive verbal complaints, it would be preferable that any complaints are made, in writing. We will acknowledge your complaint within 5 business days and we will fully investigate it.

We shall investigate the complaint as swiftly as possible, and, the complainant will receive an update on the complaint at intervals of not greater than 20 business days starting from the date on which the complaint is made. On completion of our investigation, we will provide you with a written report of the outcome. In the event that you are still dissatisfied with our handling of or response to your complaint, you are entitled to refer the matter to the Financial Services and Pensions Ombudsman (FSPO). A full copy of our complaints procedure is available on request.

Data Protection

Veterinary Ireland Financial Services Ltd. complies with the requirements of the Data Protection Acts, 1988 and 2003.

The data which you provide to us will be held on a computer database and paper files for the purpose of arranging transactions on your behalf. The data will be processed only in ways compatible with the purposes for which it was given. We would also like to keep you informed of insurance, investment and any other services provided by us or associated companies with which we have a formal business arrangement; which we think may be of interest to you. We would like to contact you by way of letter, email or telephone call. If you do not wish to receive such marketing information please tick the box in the Terms of Business acknowledgement letter.

Compensation Scheme

We are members of the Investor Compensation Scheme operated by the Investor Compensation Company Ltd. See below for details.

Investor Compensation Scheme

The Investor Compensation Act, 1998 provides for the establishment of a compensation scheme and the payment, in certain circumstances, of compensation to certain clients (known as eligible investors) of authorised investment firms, as defined in that Act.

The Investor Compensation Company Ltd. (ICCL) was established under the 1998 Act to operate such a compensation scheme and our firm is a member of this scheme.

Compensation may be payable where money or investment instruments owed or belonging to clients and held, administered or managed by the firm cannot be returned to those clients for the time being and where there is no reasonably foreseeable opportunity of the firm being able to do so.

A right to compensation will arise only:

- If the client is an eligible investor as defined in the Act; and
- If it transpires that the firm is not in a position to return client money or investment instruments owned or belonging to the clients of the firm; and
- To the extent that the client's loss is recognised for the purposes of the Act.

Where an entitlement to compensation is established, the compensation payable will be the lesser of:

- 90% of the amount of the client's loss which is recognised for the purposes of the Investor Compensation Act, 1998; or
- Compensation of up to €20,000.

For further information, contact the Investor Compensation Company Ltd. at (01) 224 4955.

Brokers Ireland Compensation Fund

We are also members of the Brokers Ireland Compensation Fund. Subject to the rules of the scheme the liabilities of its members firms up to a maximum of €100,000 per client (or €250,000 in aggregate) may be discharged by the fund on its behalf if the member firm is unable to do so, where the above detailed Investor Compensation Scheme has failed to adequately compensate any client of the member. Further details are available on request.

Our Remuneration

We, Veterinary Ireland Financial Services Ltd act as 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 directly related to the value of the products sold.

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 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.

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

Non Monetary Benefit Description	Producer
Educational and training support. CPD events. Accessto Aviva broker centre	Aviva Life & Pensions Ireland (including Friends First)
Educational and training support. CPD events. Accessto Davy dashboard	Davy Select
Educational and training support. CPD events. Accessto B-Line and Online Portus Platforms	Irish Life
Educational and training support. CPD events. Accessto New Ireland broker centre.	New Ireland
Educational and training support. CPD events. Accessto Royal London on-line broker centre.	Royal London
Educational and training support. CPD events. Accessto Standard Life Broker Zone.	Standard Life
Educational and training support. CPD events. Accessto Zurich broker centre.	Zurich Life

Single Contribution Products	Initial commission	Clawback Period	Trial commission
Single Contribution Pension			
Aviva	5%		1% p.a.
Aviva (Heritage Friends)	5%		0.75% p.a.
Irish Life	5%		0.75% p.a.
New Ireland	5%	5 Years	1% p.a.
Standard Life	5%		1% p.a.
Zurich Life	5.5%		0.5% p.a.
Single Contribution PREA			
Aviva	4%		0.5% p.a.
Aviva (Heritage Friends)	7.5%		0.25% p.a.
Irish Life	5%		0.75% p.a.
New Ireland	7%	5 Years	0.5% p.a.
Standard Life	5%		0.5% p.a.
Zurich Life	5.5%		0% p.a.
ARF / AMFF			
Aviva	5%		1% p.a.
Aviva (Heritage Friends)	5%		0.75% p.a.
Irish Life	5%		0.75% p.a.
New Ireland	5%	n/a	1% p.a.
Standard Life	4%		1% p.a.
Zurich Life	5%		0.5% p.a.
Annuity			
Aviva	3%		n/a
Aviva (Heritage Friends)	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% p.a.
Aviva (Heritage Friends)	4%		0.75% p.a.
BCI ¹	2.1%		
BlackBee Investments	3%		
Broker Solutions	2.5%		
Conor Fitzgerald Ireland Ltd	2.25%		
Investec Europe Limited	2.25%		
Irish Life	3%		0.5% p.a.
New Ireland	4%	3 Years	1% p.a.
Standard Life	4%		1% p.a.
Zurich Life	5%		0.5% p.a.



Zurich Life	5%		0.5% p.a.
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Maximum Commission Rates

Regular Contribution Products	Initial commission	Clawback Period	Renewal / Flat Commission	Trail commission
Regular Contribution Pension				
Aviva	15%			1% p.a.
Aviva (Heritage Friends)	25%			0.75% p.a.
Irish Life	17.5%		5%	0.5% p.a.
New Ireland	25%	5 Years	8%	1% p.a.
Standard Life	25%		5%	1% p.a.
Zurich Life	20%	1 Years	3%	0.5% p.a.
Regular Contribution PRSA				
Aviva	22.5%			0.5% p.a.
Aviva (Heritage Friends)	17.5%			0.25% p.a.
Irish Life	17.5%		5%	0.5% p.a.
New Ireland	25%	5 Years	8%	0.5% p.a.
Standard Life	5%		5%	0.5% p.a.
Zurich Life	5%	1 Years	5%	0% p.a.
Savings				
Aviva	15%			1% p.a.
Aviva (Heritage Friends)	10%			0.75% p.a.
Irish Life	5.5%		5.5%	0.5% p.a.
New Ireland	10%	5 Years	2.5%	0.5% p.a.
Standard Life	15%	5 Years	n/a	1% p.a.
Zurich Life	10%	4 Years	1%	0.5% p.a.

Individual Protection	Yr1	2	3	4	5	6	7	8	9+	Clawback 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 %	30%	30%	30%	30%	17.5 %	17.5 %	17.5 %	17.5 %	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	Death in Service	Clawback Period	Permanent Health Insurance	Clawback Period
Aviva	8%		12.5%	
Irish Life	6% p.a.		12.5% p.a.	
New Ireland	15%	1 Year	20%	1 Year
Zurich Life	15%	n/a	12.5%	n/a

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DATE: March 31, 2020