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Declan O'Rourke

President
The Insurance Institute

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INSURANCE & FINANCIAL BROKER

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Compliance Services for Members

ONE
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Promoting, Supporting & Representing Irish Insurance & Financial Brokers

Compliance & Legislation

ONE OF THE MAJOR CHALLENGES BROKERS CURRENTLY FACE IS THE CONTINUOUS FLOW OF LEGISLATIVE AND REGULATORY REQUIREMENTS TO WHICH THEY MUST COMPLY. BROKERS IRELAND AIMS TO HELP MEMBERS AND THEIR STAFF TO PRACTICALLY COMPLY WITH ALL LEGISLATIVE AND COMPLIANCE OBLIGATIONS BY PROVIDING SUPPORT AND GUIDANCE IN RELATION TO VARIOUS REQUIREMENTS.

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- Providing support via the Brokers Ireland website, which includes a practical and comprehensive Procedures Manual that assists members to comply with legislative and regulatory requirements, GDPR Procedures, AML Guidance, Sustainable Finance, Guidance on IT and Cyber Security and Central Bank requirements e.g. Fitness and Probity and Minimum Competency Code.
- Assistance with Central Bank authorisation process
- Representation and lobbying on behalf of members including responding to industry Consultation Papers
- Assistance for members in dealing with complaints and guidance in relation to the Financial Services and Pensions Ombudsman process
  Keeping members up to date on new legislation and regulatory requirements
- Audit Services to Members – Members of Brokers Ireland have access to a 25% discount to a compliance onsite audit service
- Keeping members up to date on new legislation and regulatory requirements
- Individual compliance support for members on specific queries
- Liaison with BIPAR on EU legislative and regulatory issues which are coming down the line and will impact members in the future
- Review Facility, i.e. members' Terms of Business and other relevant compliance documents and websites
- Liaison with the Central Bank of Ireland on behalf of members' on an anonymous and confidential basis

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MEET THE Market Day 2023

#MTMD2023

Meet The Market Day

Bigger & More Immersive

Thursday 5th October 2023 | Hall 4, RDS, Dublin
10:30 – 16:00 hrs

Brokers Ireland Meet the Market Day will host over 90 insurance suppliers operating in the Irish marketplace who will be available to answer Insurance Brokers questions and discuss your clients insurance needs.

Meet with insurance providers (non-life) across insurance companies and specialist suppliers who will be on hand to exhibit, distribute materials and network with Insurance Brokers on the day.

We strongly urge that at least one representative from each Broker company attends. REGISTER TODAY.

Meet The Market Day is a great opportunity for Insurance Brokers to make real-time business contacts, collate useful updates and seek product information from specialist suppliers.

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- **Lloyd Brokers**
- **MGA's**
- **Wholesalers**
- **Loss Adjusters**
- **Software Providers**
- **Utility Companies**

Insurance Brokers Breakfast Forum
08.30 – 10.25 hrs

Brokers Ireland is hosting an Insurance Brokers' Breakfast Forum before the exhibition starts, which will provide a series of industry-relevant addresses and motivational speakers to kick-start MTMD 2023.

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comment

EDITORIAL

Retail Investment Strategy

THE long-awaited EU Commission proposal on the Retail Investment Strategy (RIS) has been published. It has been and will continue to be, the subject of much discussion over the next few years. The final shape of the RIS has been signalled in recent weeks and when it was finally revealed the contents did not come as a surprise. The commission proposal must be viewed in the context of the overarching strategy of developing Capital Markets Union (CMU) within the EU. The purpose of CMU is to harness some of the vast reservoir of savings in the EU into more active participation in capital markets with the goals of obtaining greater returns for savers, the creation of a more active pool of capital to fund active investment in the EU and at the same time drive the sustainability agenda.

To achieve CMU the RIS principal objective is to encourage the participation of retail investors in the Capital Markets. The RIS seeks to achieve this by adopting several strategies. By updating and improving transparency, introducing requirements to achieve better value for money by addressing costs, strengthening the rules pertaining to conflict of interest, better training and improving consumer financial literacy.

The instruments that will be used will be an Omnibus Directive which will update and amend existing directive such as MIFID II and the IDD and Regulation which will update and amend the PRIIPs regulations to afford better transparency.

What has been avoided thus far, is the introduction of a blanket ban on "inducements" which has been recognised as potentially damaging to the objective of greater participation by retail investors. Changes are proposed to inducements in relation to the provision of "independent advice" and to execution only contracts. The proposal contains a review clause which will kick in three years after the imposition of the directive. At the launch of the RIS, it was advised that in measuring the effectiveness of the directive that two key elements will be – investor participation and costs.

The RIS proposals are long and detailed. They will now enter a process which will involve the EU Council (Member States) and the EU Parliament coming up with their own proposals/amendments which will ultimately lead to tripartite discussion/ negotiation involving the EU Council, Parliament and Commission known as a trialogue. This process will take months and may change the outcome. This will probably take us to the end of this Commissions and Parliamentary term, the effective date of which is June 2024. This is but the beginning.

Though the RIS greatly ramps up the administrative burden with its attendant costs, a reasonably sensible approach is being adopted. Any steps taken must be based upon sound analysis and not by populist whims. All parties are in favour and supportive of the objectives of CMU and its related RIS – the debate will centre on the best mechanisms to achieve those goals, the central one of which is greater participation by consumers in their own interest in the capital markets. Let's not lose sight of that goal.

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May Momentum

SINCE 2021, Brokers Ireland has produced a proportionate regulation document to aid policymakers and industry stakeholders understand the important economic and social role played by Brokers in the market and the impact of regulation on our members. The third edition of this document was issued on the 9th of May, and I would encourage members to use this document as a reference when speaking to public representatives. We are happy to continue to work with the Central Bank and other relevant stakeholders to design more appropriate structures for Brokers whilst retaining essential consumer protections.

Brokers Ireland also held a bi-annual meeting with the Central Bank on the 11th of May. This constructive meeting covered issues such as developments at a European level including proposals about the payment of commission, the authorisation process, and the individual accountability regime. The Central Bank provided feedback about recent themed inspections carried out by the Bank and also indicated that they will be carrying out thematic, desk-based, and physical inspections over the next year focusing on compliance with the Minimum Competency Code and suitability requirements under the Consumer Protection Code.

Brokers Ireland and BIPAR have been working on the issue of a potential commission ban emerging from the EU Retail Investment Strategy (RIS) which was published by the European Commission on the 24th of May. The European Commission describes the RIS as a "package of measures to facilitate retail investment" i.e., to encourage consumers to participate in retail markets. Over the past number of months, there has been much debate about a possible introduction of a ban on inducements/commissions as they are known in Ireland. Within the RIS, the Commission took the decision not to put forward a full ban on inducements as part of this proposal. Instead, as part of a staged approach, this legislative package proposes to address the conflicts of interest that may arise due to the payment of inducements via a number of different measures including: a measure aimed at prohibiting the payment of inducements in execution-only environments where no advice is provided; a strengthened 'best interest of the client' principle applied in both MiFID and IDD; and improved disclosures to the client regarding the payment of inducements, including a simple explanation of inducements. The strategy also includes a review clause within 3 years to reassess the inducement rules. Further analysis of the proposal will be communicated to members directly.

BIPAR is the Federation of Broker bodies which represents 49 Associations in 30 countries. I would like to complement its skill and work over the last six months on this issue as we worked with policymakers throughout Europe to highlight the value of Broker advice, the dangers of an advice gap with a commission ban, the support of the Broker community for increasing investor participation in the markets, sustainability and digitalisation which are the core RIS objectives.

A strategic priority this year is to increase awareness of the Insurance Broker brand and in tandem with this focus on webinars and thought leadership that will enable members to adopt technology and adapt digitalisation in their Brokerages. We are working on a report that will verify the multifarious benefits of using an Insurance Broker and hosting a Digital Awareness Week (13-15th June) with a trio series of two-hour webinars that will inform and update Brokers on what they need to know in the area of digitalisation.

As we're constantly hearing from members that service remains a critically important issue, we are continuing to work with Insurers to encourage improved service to Brokers and in turn their customers. To this end, we have met recently with several providers and will continue to highlight issues and areas of concern and improvement for the Broker channel.

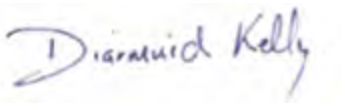
In May, Brokers Ireland launched a register of Brokers to assist consumers who have a pre-existing illness and are looking for assistance in obtaining life cover. This facility is now on the Brokers Ireland website and will enable consumers to easily locate Brokers who are experienced in advising on Life Cover in this area. We would like to thank the Brokers who have agreed to contribute and help smooth the pathway for those impacted.

Brokers Ireland also recently attended the launch of the Joint Committee's report on the Pre-Legislative Scrutiny Automatic Enrolment Retirement Savings System Bill 2022. The Bill will now be finalised considering the recommendations in the report and will progress through the stages of the Dáil.

Last month we launched our Financial Broker Retirement Provision for Pension Company Directors Guide, this is part of our Technical Guide series which members of Financial Broker can access via the website.

An important reminder also that any One Member Arrangements set up on or after 22 April 2021 must wind up and the assets be transferred to a master trust or PRSA before the 30th of June 2023.

Brokers Ireland Mid-Term Members Meetings took place in May in Galway, Cork, and Dublin and are aimed at updating Insurance and Financial Brokers on the development of the association's 2023 strategic priorities. Thanks to all members who attended these sessions and participated in offering feedback and raising issues of concern. The team in Brokers Ireland will now ensure that all members' points of interest will now be prioritised and expedited accordingly.



Diarmuid Kelly, CEO Brokers Ireland

ZURICH

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The latest additions to Zurich's Signature Free OnlineApply:

- Regular Premium PRSA; and
- Personal Pensions;

are now live.

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Declan O'Rourke, CEO of Aviva Insurance Ireland was recently appointed President of The Insurance Institute 2023

Irish Broker talks to him about this role and other matters

CONGRATULATIONS on your appointment Declan, what are your ambitions for your term as President of The Insurance Institute?

For me, it's all about the people. We have excellent people in the insurance sector and in my term as President I want to continue to drive the fantastic work that the Institute does in developing our people's expertise through education and qualifications. The insurance sector can often be an easy target for unjustified negativity, and it's very important that we can feel proud of our industry and how it's regarded in society in general. I believe the best way to do that is to ensure a consistent level of excellence in the industry through ongoing learning and development.

How important do you think Continuing Professional Development (CPD) is in progressing a career in the insurance industry?

Knowledge, in terms of legal and technical expertise, is essential to becoming a true insurance professional. Most importantly, CPD allows us to be at the top of our game when helping a customer when they are most at need, when something awful happens, like a fire, serious injury or accident. The world is changing at a pace and our industry is constantly evolving, with new products, such as cyber insurance, renewables insurance, vehicle technology and the increased regulations in recent years.

> ***"It's very important that we can feel proud of our industry and how it's regarded in society in general. I believe the best way to do that is to ensure a consistent level of excellence in the industry through ongoing learning and development.***

None of us can be complacent. CPD helps Institute members to enhance their knowledge, develop new skills to best serve our customers.

The pandemic has had a lasting impact on how we work, with the rise of remote and hybrid working, how has the Institute adapted its training programmes to reflect this?

The pandemic has indeed brought about significant changes in the way we work, and our team at the Institute has had to adapt its training programmes to reflect these changes. The rise of hybrid working has led to a shift in the way training and education are delivered. Currently all the Institute's lectures and exams are offered online. They are designed to provide the same high-quality training and education as traditional in-person programmes, but with the flexibility and convenience of remote delivery.

Micro Credentials will clearly provide greater flexibility to members, are there plans to develop that programme further?

Bite-size courses, that are easier to digest, are a fantastic addition to the Institute's offering. For busy professionals, we understand that an intense programme of study can be off-putting. Micro-credentials are an excellent way for our members to gain specific, industry relevant skills and knowledge, which can be applied directly to their work. We are kicking the programme off with three digital badges in the areas of Motor, Liability and Property and Business Interruption and we will continuously review and update the programmes to ensure that they meet the evolving needs of the industry. I hope to see a big take up of the micro-credentials and would encourage all of our members to try a bite-size course.

The Insurance Apprenticeship programme is now in its eighth year, how has it benefited the insurance industry?

We've certainly seen the benefits of this programme first hand at Aviva. I've met and worked with lots of our

apprentice recruits over the years, from bright school-leavers to third level and industry switchers and have always been hugely impressed. The apprenticeship attracts individuals with a career-orientated mindset rather than those merely seeking a job. The quality of our graduates is also outstanding, with over half achieving first-class honours. The programme has strengthened our position in the competitive talent landscape and I feel passionate about continuing to develop on the success of the programme during my term as President.

It's encouraging to see the level of diversity in the Insurance Apprenticeship, how important is that impact for the wider industry in the future?

Yes, it's hugely encouraging to see strong diversity; male (47%) and female (53%), the largest female representation in an apprenticeship programme, as well as an age range from 18 – 49 years in the class of 2022. One of the biggest challenges at senior levels in our sector is the lack of female leaders. Some progress has been made in recent years but more is needed. Developing this pipeline of female talent through the apprenticeship programme is essential in terms of creating a more diverse and inclusive talent pool for the future.

Environmental Social and Governance (ESG) is a significant issue industry wide, how is the Institute assisting its members in that area?

Through education and training. As ESG issues become increasingly important to customers, regulators and investors, insurance professionals need to be equipped with the knowledge and skills to address these issues effectively. To this end, the institute has developed a range of training and education offerings related to ESG, including courses and webinars. These cover topics such as climate change and ethical considerations in insurance.

What business person do you most admire and why?

Within the insurance sector it's Maurice 'Hank' Greenberg. He took AIG from a small private company to one of the top 5 companies in the world. His simple approach of empowerment with accountability drove AIG's global expansion. It's so impressive to think that he was on Omaha Beach in WWII and now at 98yrs old is Chairman and CEO of C.V Starr & Co. Insurance.

Closer to home, it's got to be Tony Ryan, a fellow Thurles-man, who went to the same school as myself. I was always struck by the picture of his class, with most of kids going to school barefoot. Tony always thought big, setting up Ryanair and going on to lay the foundations for Ireland becoming the global leader in the aircraft leasing sector.

What business advice would you give to your younger self?

Never take yourself too seriously!

Who (past or present) would you invite to a dinner party?

Babs Keating, Pat Shortt, Rachel Blackmore, Shane McGowan and Una Healy with music provided by The Clancy Brothers and the Collison Brothers to pay the bill!. Coincidentally, they're all from the Premier County!

Declan O'Rourke – CV

Name:	**Declan O'Rourke**
Age:	**52**
From:	**Thurles, Co. Tipperary**
Lives:	**Kildare**
Family:	**Married to Liza with five children**
Education:	**Thurles CBS**
Favourite hobby:	***"I love the GAA and I coach an underage hurling team in Naas. I play a little bit of squash and the very odd round of golf."***
Currently reading:	***A Modern History of the Kurds*** **by David McDowall**
Favourite movie:	**The Banshees of Inisherin**

The Alternative Real Estate Lending Market in Ireland

Niall Hurson
MD, Novellus

Recently appointed MD of Novellus, Niall Hurson, talks us through the Irish Alternative Lending Market within the Real Estate space.

HOW is the Real Estate lending market at the moment?

Since the departure of KBC and more recently Ulster Bank from the Irish Market, the regulated and non-regulated lending environment for Real Estate borrowers has become significantly more challenged. This environment has only been exacerbated by the quick rise in interest rates over the past 9-12 months. Notwithstanding the rise in interest rates, Real Estate remains a long-term resilient asset class.

While the established Irish banks remain cautious and somewhat restricted to consider new lending opportunities, alternative lenders like Novellus are filling the void.

Why consider borrowing from an Alternative Lender?

Alternative lenders fill an important gap in the market, left by the established traditional lenders. They typically offer quicker decisions, with simpler processes and can often offer more flexible terms and conditions.

What is bridging finance?

Bridging finance is short term in nature, typically 12-18 months, and can be used to assist with the purchase of property, land or fund refurbishment. Interest can be paid or rolled up into the loan. Most alternative lenders will not provide finance for primary dwelling homes.

What is the benefit of bridging finance?

Bridging finance can assist borrowers to move quickly to either purchase or refinance property or land. Often there can be an opportunity to enhance the value by seeking planning permission, completing a small development, converting the existing use, refurbishing or improving the "green" credentials of the property to increase rent. All the while interest can accrue within the loan facility, freeing up capital to complete the investment.

Many alternative lenders would require the borrower to be a corporate entity or Special Purpose Vehicle, and can often require an element of guarantees to support the underlying lending transaction, in addition to the property being taken as security.

> ***"We expect growth in term and bridging finance across the wider Alternative lending market from existing Broker relationships but equally we are taking on new Brokers and introducers of new business every week.***

What about longer term financing?

Some lenders in the alternative space have the ability to offer longer-term loan facilities on investment or income producing properties. This would be more aligned to traditional real estate finance, however may not meet the risk criteria required by the Banks. Examples such as shorter term leases, smaller tenants, or higher debt requirements.

Given the changing face of retail, with the considerable move to on-line offerings, and the post Covid changing office occupancy trends with Work from Home, Banks are significantly more cautious to lend on retail or office investment properties than they would have been in recent years.

You can combine the initial bridging loan with a term facility and benefit from more favourable pricing once the improved value and / or income from the property have been realised.

How do Brokers feature in the Alternative lending space?

Given the wide reach of Brokers and Financial Advisors across their large network of clients, they act as intermediaries to bring solutions to their clients financing needs. They are a very important source of business for alternative lenders, who endeavour to build strong relationships with these Brokers resulting in repeat, mutually beneficial business for the Broker, the lender and ultimately for the clients benefit.

What does Novellus bring to the Alternative Lending Market?

Novellus has the benefit of full discretionary capital available to deploy, giving quick decisions, and early certainty of execution for borrowers to transact. As it's our own capital, our initial terms are fully credit approved, subject to diligence. This is certainly not the case with the Banks and not always the case with alternative lenders.

Having just announced our intention to place €300m in additional funding into the Irish Market across all property asset classes, we see significant growth coming from informed and active affiliate channels.

The minimum bridging loan size is c. €1m, however, we typically target a term loan size of between €5m and €20m, where Loan to Value can be up to 65% - 70%.

How can we help Brokers and Financial Advisors?

We expect growth in term and bridging finance across the wider Alternative lending market from existing Broker relationships but equally we are taking on new Brokers and introducers of new business every week. We'd be delighted to help any introducer with prospective business to understand our process and enable them to support their clients with our range of products. We would be delighted to hear from any Brokers who have a direct relationship with their borrower clients, that believe they may have a funding situation we can help with.

Contact our office on 01 531 4237 or by enquiry via our website www.novellusbridging.com/ie or e-mail at info@novellusbridging.com

NOVELLUS

Aviva General Insurance Broker Academy

Aviva Insurance Ireland DAC wishes to thank all the brokers for joining our recent General Insurance Broker Academy week of online training.

The training covered:

- Van Insurance
- Home Insurance
- Claims Fraud Investigation
- Directors and Officers Indemnity Insurance
- Fleet and Road Risk Management

Over the course of the week we were delighted to have over 2,700 attendees join this CPD accredited training.
We will continue to support you with further face to face and online training.

Thank you for supporting our webinars.

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AVIVA

Royal London Ireland - Seven reasons for a client to consider an ARF

Mark Reilly, Pensions Proposition Lead, Royal London Ireland

The Royal London ARF offers unique features such as a 'sliding scale' approach to annual management charges and allocation rates, automatic portfolio rebalancing and ValueShare – a potential boost to your clients' pension policy value.

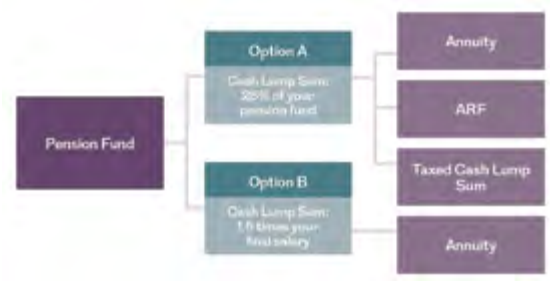
BY understanding that your clients' needs and goals will often change as life unfolds, Royal London Ireland has created retirement products to meet their individual needs. Approved Retirement Funds (ARFs) have increased in popularity in recent times due to a number of reasons such as the impact of low bond yields and interest rates on the attractiveness of annuities, as well as the flexibility and ease of accessibility of an ARF.

Mark Reilly, Pension Proposition Lead at Royal London Ireland provides an overview of ARFs and their eligibility, as well as seven reasons for a client to consider an ARF.

Approved Retirement Funds

Approved Retirement Funds (ARFs) are managed by Qualifying Fund Managers (QFMs) in which customers can invest the proceeds of their pension when it matures. A QFM is a financial institution (such as Royal London Ireland) that is authorised to operate ARFs. An ARF is a flexible arrangement that allows customers to remain invested in funds after retirement and withdraw money as and when they want. Any investment growth within the fund is currently tax free, however, withdrawals are taxed.

Ways a client can access pension fund(s) at retirement



Eligibility

An individual will have the ARF option available to them where they have taken a cash lump sum of up to 25% of the value of their pension fund. Most pre-retirement pension products will provide for the ARF option when the individual retires, but always check the terms and conditions of the product to be sure.

Seven reasons for a client to consider an ARF

1. Retaining control of a pension fund after retiring

Having spent so long saving and investing to grow their pension to where it is today, your client now needs to think about how they can make it last. Having control around where and how their pension savings are invested, the level of income they'd like to take and the peace of mind that when they do die there may be residual value in the fund that they can pass to their spouse or children makes choosing an ARF a strong option.

2. Tailoring a level of income to suit a client's needs, amount and frequency

A client will need to consider whether an ARF will be the primary source of income or the cherry on top based on other sources of income they have. This will be important when selecting their investment strategy and the frequency of withdrawals taken from the ARF.

We have a Decumulation Risk Profiler on our Broker Centre that can be used to assess the risk attitude of a client approaching the decumulation phase and who is considering an ARF.

3. Any remaining funds on death can be left to dependants (subject to tax)

Knowing that the ARF may provide a pot of money that can be left on death can give tremendous peace of mind to some of your clients.

4. Any investment growth in the ARF is tax free until a withdrawal is made

Any investment growth in the ARF is tax free. It's only when making a withdrawal from it that a client will have to pay income tax and potentially PRSI and USC.

5. Access to cash for unforeseen circumstances (subject to tax)

Some clients may enjoy peace of mind and the possible safety net that an ARF provides as they can access a lump sum of money if needs be, although it is still subject to tax.

6. The ARF can be used to buy an annuity at any point

An ARF provides the flexibility to buy an annuity in the future. With annuity rates, typically the older someone is the higher the rate received. It might suit a client to start with an ARF and consider buying an annuity with some or all of their ARF at a future point as they get older.

7. A range of investment options to choose from based on a client's appetite for risk

Providing a range of investment options based on risk appetite is important. Mark Reilly added; *"We have a **Decumulation Risk Profiler** on our Broker Centre that can be used to assess the risk attitude of a client approaching the decumulation phase and who is considering an ARF. Brokers have told us that this helps them discuss the type of funds that will align with their clients' risk profile."*

Reasons to choose an ARF from Royal London Ireland

According to Mark Reilly, *"The Royal London ARF has been designed with considerable research and feedback from Financial Brokers to make it a strong choice. It's very competitively priced and backed by excellent service and technology. It offers unique features such as a 'sliding scale' approach to annual management charges and allocation rates, automatic portfolio rebalancing, and ValueShare – a potential boost to your clients' pension policy. In April 2023, ValueShare was awarded, giving our PRB and ARF eligible customers' pension policies a boost of 0.13% of their policy value."*

He added that *"our charging structures are seen as competitive and easy to follow and the simple pricing and allocation structure is really liked."*

To find out more about the Approved Retirement Fund from Royal London Ireland, get in touch with your Broker Consultant. They would be delighted to hear from you! Or visit www.royallondon.ie/brokers

Reasons to choose an ARF from Royal London Ireland

Here are some features of Royal London Ireland's pension proposition which make it a standout choice:

- The Royal London Ireland fund shelf consists of a comprehensive and well diversified fund range of 17 funds, including active and passive funds, with eight provided by Royal London Asset Management and nine by BlackRock. They provide four risk targeted Multi-Asset funds which were designed specifically for the Irish market. **Five of the 17 funds are classified article 8/9 SFDR.**
- An easy-to-understand and **keenly priced choice of 12 product variations,** centred on a unique 'sliding scale' trade-off between allocation rates and annual management charges (AMC).
- **AMCs range from 0.50% to 0.90% with a 0.05% discount for passive funds.**
- **Flexible** commission options.
- **'Clean Pricing':** Off-the-shelf commission clawback alternative option as an additional choice to early encashment charges.
- Unique **'ValueShare'** offering – an additional payment boost that may be added to clients' fund returns in years that the company does well. Once awarded, it belongs to them and can never be taken away.
- **Ireland-based case manager** servicing team.
- **Purpose-built technology to support your business.** Providing you with tools and leading technology to help with new business quotes and your clients' policy management, such as: automated willing and able letters and report builders.
- Transparent customer fees and charges. **No policy fees. No fund switching charges.**
- **My PortfolioChoice:** Option for your clients to build their own portfolio or choose automatic rebalancing.
- **Nominated** fund from which withdrawals or a regular income can be paid.
- **Mutual mindset and customer-focus:** backed by the UK's largest financial services mutual company.

All provided by a company you can rely on, with a strong heritage in Ireland and an award-winning servicing team - Brokers Ireland protection service award winner for five consecutive years and winner of best overall financial services company in 2022.

ValueShare, from Royal London Ireland

In addition to providing customer-focused products, supported by excellent funds and service, we also offer eligible pension customers **ValueShare.**

ValueShare is unique to Royal London Ireland. It offers an additional savings boost that may be added to eligible customers' fund returns, allowing them to share in Royal London Ireland's success.*

We made our first ValueShare award in April, with all eligible Personal Retirement Bond and Approved Retirement Fund customers receiving a boost to their policy values.

Our ability to share our success with customers is possible because we are owned by a mutual company and adopt a mutual mindset.

For more details, talk to your Broker Consultant or visit www.royallondon.ie/brokers

*A ValueShare award is not guaranteed. The amount of any past ValueShare awards are not a guide to the amount of any potential future ValueShare awards.

Royal London Insurance DAC, trading as Royal London Ireland, is regulated by the Central Bank of Ireland. Royal London Insurance DAC is registered in Ireland, number 630146, at 47-49 St Stephen's Green, Dublin 2. Royal London Insurance DAC is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited which is registered in England, number 99064, at 80 Fenchurch Street, London, EC3M 4BY.

ROYAL LONDON IRELAND

06/2023 2365.1

The First Home Scheme

Bridging the funding gap for First Time Buyers

THE First Home Scheme was launched by the Minister for Housing, Local Government and Heritage, Darragh O'Brien TD on the 7th of July 2022. The scheme works by bridging the gap between a customer's mortgage, deposit, and the price of a new home. The scheme provides the funding shortfall and in turn takes an equity share in the home.

A simple example of how the scheme might work is as follows:

- An individual or couple wish to purchase a new home which costs €350k.
- They earn a combined salary of €70k per annum.
- Under current rules (4 times salary) they qualify for a mortgage of €280k.
- They are also required to have a 10% deposit (they can also avail of the Help to Buy scheme), which in this case is €35k.
- When they combine their maximum mortgage with their 10% deposit the maximum available to them is €315k, however the price of the new home is €350k. They have a shortfall of €35k or 10%.
- In this scenario, the First Home Scheme can provide the individual/couple with the €35k in turn for a 10% equity stake in their new home. **(See graphic below)**

The First Home Scheme can provide can provide up to 20% (up to 30% if not availing of the Help to Buy scheme) of the value of the new home as an equity share. The scheme can also be utilised by people who fall under the Fresh Start principle - that is those who have been subject to a divorce, judicial separation or those who have gone through an insolvency process and no longer retain an interest in the family home as a result.

Some features of the Scheme

There are some unique features of the scheme, such as there is no interest to be paid since this is an equity product as opposed to a debt product (such as a mortgage). From the beginning of year six, there is a service charge of 1.75% which increases to 2.15% after 15 years and 2.85% after 29 years. A customer can opt to roll these charges up with the equity amount at no cost to them (simple interest).

Price ceilings (the maximum price of a new home which the scheme will support) have been set for each Local Authority area to minimise the risk of market distortion and house price inflation. These ceilings are reviewed on a regular basis and will be adjusted up or down as deemed necessary.

Customers can choose to redeem all, or part of the equity amount held by the First Home Scheme in their home, up to a maximum of two redemptions per annum. There are four normal lifecycle events, including sale of the property, where the equity provided by the First Home Scheme must be redeemed by the customer, along with any outstanding charges.

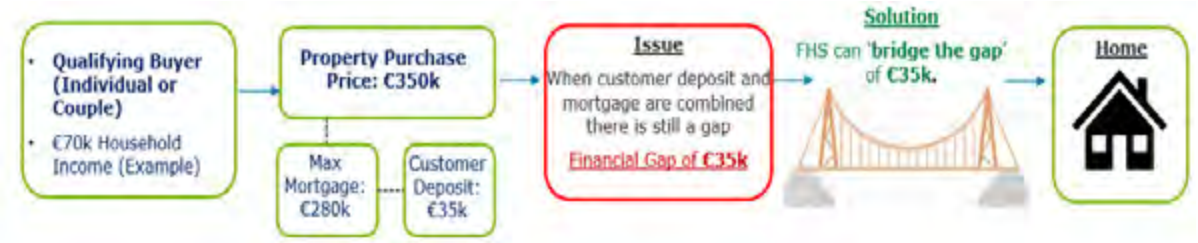
A key aspect of the scheme is that the equity share held by the First Home Scheme in their home is a percentage of the value of the property and that this amount does change as property prices rise and fall over time. This is considered fair, as when the customer redeems the equity share, the equity amount may have increased but so too has the value of the property, so in reality they are no better or worse off than they were when they purchased the home on day one.

A very promising start

The First Home Scheme is being administered by the First Home Scheme DAC and has a €400m fund which will allow up to 8,000 individuals or couples purchase their first home and get onto the property ladder. The scheme currently has four shareholders - The Minister for Housing, Local Government and Heritage, AIB (to include Haven and EBS), BOI and Permanent TSB. The fund may increase in size over time and is open for other authorised mortgage lenders in the Irish market to join the scheme.

As at end April 2023, over 1400 buyers in 24 counties have been approved by the Scheme and have received eligibility certificates to allow them to buy their chosen home. More than 300 of these buyers have now completed the purchase of their home with the assistance of the First Home Scheme. It is hoped that with the assistance of this scheme, many more individuals and couples who struggled with the prospect of ever owning their own home, will now be in a position to do so. **Further information on the scheme is available at www.firsthomescheme.ie**

Michael Broderick, CEO, First Home Scheme



Elizabeth Smith Wright, Brokers Ireland

Proportionate Regulation of Intermediaries

THE issue of over regulation of Brokers continues to remain top of the Brokers Ireland agenda for 2023. Since 2021, Brokers Ireland has produced a proportionate regulation document to aid the understanding of policymakers and industry stakeholders in relation to the importance of the role of Brokers and of the impact of regulation on our members. This document is updated each year, with the updated version issued to members, regulators, and industry in May.

The document sets out the impact of regulation on our members, the vast majority of which are non-cash handling, non-product producing firms. Brokers account for 50 per cent of all regulated firms but are a small low-risk section of the market. Despite the Central Bank of Ireland's rating of intermediaries under PRISM (Probability Risk and Impact SystemTM) as low risk, and the fact that the Central Bank, the EU and the Irish Government have stated commitments and policies that support proportionate regulation, Brokers remain subjected to an extremely onerous regulatory regime.

As part of the research for the report, each year a survey of Brokers Ireland members takes place in February, the results show that based on employment levels and turnover, the sector remains dominated by micro enterprises. The following table (sample size 312) demonstrates that 80.9 per cent of intermediaries are micro enterprises, 13.9 per cent are small enterprises and 4.7 per cent are medium-sized enterprises.

COMPANY CATEGORY	NUMBER OF EMPLOYEES	% OF TOTAL
Medium-sized	> 50 < 250	4.7%
Small	> 10 < 50	13.9%
Micro	< 10	80.9%

Micro enterprises are defined as enterprises that employ fewer than ten persons and whose annual turnover or annual balance sheet total does not exceed €2 million.

In theory, proportionality means that regulatory requirements are tailored to a firm's size, systemic importance, complexity and risk profile. Brokers in their interaction with customers do not expose them to any significant level of risk. Whilst acknowledging regulation is vital in protecting consumer interests, it should not be applied in a manner that negatively impacts the ability of firms of different size, scale, and complexity to competitively operate in the same market. The costs for micro/small firms to employ full-time compliance, data protection, risk management, HR or IT staff is not proportionate to the risk that they pose. These types of firms have fewer resources to comply with legislative and regulatory change and thus require more time and effort to understand, implement and comply. This impacts small firms' ability to compete in a very competitive market and threatens their economic viability.

As we are aware, there is significant consolidation going on in the industry, particularly in the Insurance Broker market. The cost of compliance is a key driver for this trend, making it more challenging for smaller Brokerages to survive. We believe that every effort should be made to ensure that small Brokerages are able to survive and work alongside much larger Brokerages.

Brokers are a key element of the financial advice industry in Ireland and play a fundamental and important role in providing financial services to businesses and consumers, both at a personal and at an economic level. The challenge is to ensure that as high a percentage of the population as possible has adequate access to pension coverage, investment, risk management and risk-mitigation products.

The European Commission initiative, the capital markets union (CMU) and the goals of the Retail Investment Strategy (RIS), which is due to by published by end of May 2023, aims to ensure that consumers who invest in capital markets can do so with confidence and trust, that market outcomes are improved, and that consumer participation is increased. Brokers play a pivotal role in the attainment of this aim to encourage participation in financial markets. Another European goal is to increase consumer engagement with sustainable products. Given the complexity of sustainability terms and product categorisation, Brokers play an important role in explaining and advising where appropriate in this regard.

A key goal of the report is to reiterate the importance of the application of the SME Test. The SME Test analyses the possible effects of EU legislative proposals on SMEs. It has been an integral part of the European Commission's Better Regulation guidelines since 2009. The Commission actively encourages EU countries and other EU institutions to systematically apply the SME Test in the policymaking process. By assessing the costs and benefits of policy options, it helps implement the 'Think Small First' principle and improve the business environment. The purpose of the SME Test is to request policymakers to think about the negative impact of any new legislation or regulation which may create a burden on SMEs. The main thrust of the test is to propose possible exemptions or less stringent requirements for smaller companies. The European Commission estimates that on average, where a big company spends one euro per employee to comply with

a regulatory duty, a medium-sized enterprise might have to spend around four euro and a small business up to ten euro per employee.

The Irish Programme for Government 2020 also gave a commitment that the government would seek to cut bureaucracy for SMEs and support the SME Test across government to assess the potential for less stringent requirements and simplification of regulatory adherence.

The OECD's policy framework for effective and efficient financial regulation indicates that state authorities should only intervene where there is an identified market failure that can be addressed through regulation. Where authorities do intervene, they must assess critical trade-offs and alternatives, in the public interest. They must ensure that the benefits of intervention outweigh the costs, with careful consideration of unintended consequences.

This has not been the case for intermediaries and we believe that too much regulatory focus on small advice-based firms may divert resources from real and higher risk priorities of the Central Bank.

We welcome the Central Bank's increasing references to proportionality when issuing guidance; however, this concept must be implemented on a practical level for intermediaries when issuing industry-wide requirements and guidance and expectations. We believe that the current review of the Consumer Protection Code offers an opportunity for the Central Bank to issue revised regulations that differentiate the responsibilities of providers/product producers and separate to this, intermediary firms.

Brokers Ireland will continue to work with decision makers in this regard and update members accordingly.

Campion Insurance acquires Gleeson Insurance

GLEESON Insurance, based in Ennis, County Clare, is the latest specialist brokerage to become part of the rapidly growing insurance intermediary PIB Group Ltd ('PIB'). The business was acquired through Campion Insurance, which leads PIB's Irish division. This acquisition further strengthens Campion's portfolio of businesses in Ireland.

The arrival of Gleeson Insurance to Campion's portfolio adds to the accelerated growth in Ireland and builds on the 13 businesses already acquired. Following this acquisition, the total headcount for PIB in Ireland now exceeds 400 employees.

This acquisition further builds on Campion's and PIB Group's strategy of developing specialist businesses in their markets and will add to and complement the significant footprint Campion Insurance has in Ireland. With their growing scale and size and following on from their recent acquisition in February of two brokerage firms (Landmark Insurance and Halligan Insurance), Campion Insurance are very well placed to meet the needs of all their customers. This is due to their broad range of services and offerings from specialist commercial products, motor and home insurance and life & pensions products.

Michael Gleeson will continue to lead Gleeson Insurance and the business will form part of PIB's Irish division, led by Campion Insurance who have been part of PIB since 2021.

Jim Campion, CEO of Campion Insurance, commented *"The addition of this business once again highlights our ambition in the Irish market and aligns with our strategy of developing our specialist insurance offerings for the benefit of our customers. I would like to extend a very warm welcome to our new colleagues, following the acquisition of Gleeson Insurances. I look forward to working with Michael Gleeson and the team in Gleeson Insurance to continue our growth in the market as our business continues to go from strength to strength.*

Looking ahead to the rest of 2023, PIB and Campion Insurance will continue to invest significantly in the Irish insurance market and aims to attract more excellent local brokers to the portfolio. We will continue to attract new talent and develop our team in Ireland to provide ambitious employees with challenging and rewarding careers."

Michael Gleeson, Managing Director, Gleeson Insurance said: *"The acquisition of Gleeson Insurance by PIB Group is great news for our clients and team. We are delighted to now be part of the Group and look forward to working with Jim Campion and Campion Insurance to drive growth of the business in Ireland."*

Gleeson Insurance is an insurance broker based in Ennis, County Clare, and have been providing insurance services in the local area for over 35 years. Their core primary products are car insurance for drivers of all ages, home insurance, farm insurance and commercial insurance. They also offer travel and pet insurance and a wider variety of products. As a business, their primary goal is to be recognised and regarded as the "go to" insurance broker in Ennis and provide commitment, ownership, communication, excellence and consistency to their customers.

Why men wear wedding rings - and other surprisingly modern 'traditions'

Stephen Corcoran, Underwriter, DUAL Underwriting Ireland DAC

EVER wondered why engagement rings are usually diamonds or why certain gems are tied to specific anniversaries?

Up until the mid-twentieth century, marriage was usually a simple affair comprised of inexpensive customs. Today's extravagant marriage rituals developed in America before spreading across the western world and beyond. How these customs developed and spread is a fascinating story – and one in which jewellery retailers played a leading role.

How diamonds took over

Traditionally, diamonds were just one of many gemstones used in engagement rings, with rubies, sapphires, and emeralds all popular choices. Today, 97% of engagement rings are adorned with diamonds[1]. How did this dominance come about?

In the Great Depression of the 1930s, the diamond dealer De Beers worried that couples would spurn diamonds in favour of cheaper alternatives. The company embarked upon a long-term, marketing campaign. It would indelibly link diamonds with engagement in the public mind, ensuring diamonds became the stone of choice.

Through advertising and funding Hollywood movies, De Beer's marketing filtered into popular culture. Their 1947 slogan 'a diamond is forever' entered the common lexicon. Meanwhile, the diamond giant's funding of 1953's *A Gentleman Prefers Blondes* starring Marilyn Monroe made 'diamonds are a girl's best friend' a household phrase[2].

The invention of the male wedding ring

While brides have worn engagement and wedding rings for centuries, grooms usually did not.

In the 1920s, some jewellers attempted to change this, marketing engagement rings to men. Despite macho product names like "The Pilot," and "The President", they sold poorly. However, jewellers would go on to have more success promoting another type of ring.

At the outset of World War 2, jewellers spotted an opportunity to promote wedding bands to men fighting overseas.

Not only were wedding rings a comforting reminder of a soldier's wife and family back home, they were marketed as symbols of democracy and the nuclear family – the very ideals the troops were fighting for.

Celebrity endorsements from stars including Humphrey Bogart helped push the trend into the mainstream. While just 15% of grooms received a wedding ring prior to the 1940s, the figure increased to 80% by the end of the decade[3].

The evolution of anniversary gifts

In the 1800s, the question of what to buy as an anniversary gift was simple. Gold or silver – and only for the 25th and 50th years. Beyond that, anniversaries were not generally celebrated.

Nowadays, we have both a 'traditional' and 'modern' list to choose from, making selecting the right gift more complex.

First popularised by Emily Post in her bestselling 1922 book Etiquette[4], the traditional list includes paper, cotton, leather, silk, and wood for the first five years. Pearls, coral, emerald, and ruby feature upon five year intervals between the 30th and 45th anniversaries, while diamonds are given for the 65th.

The modern list was released in 1937 by the American National Retail Jewellers Association[5]. Hoping to help their members sell more products during the Great Depression, their list included gifts of jewellery in addition to the traditional anniversaries. For example, diamonds were suggested again for both the 10th and 30th anniversaries while gold made an extra entry for the 14th.

Not all the modern gifts are for jewellery – practical gift ideas include desk sets and appliances. However, to ensure a happy anniversary, jewellery is always a safe bet.

Precious jewellery requires quality insurance

While these traditions are relatively modern, they are no less meaningful.

According to the University of California's Saul Levine, rituals and customs strengthen group bonds[6]. By exchanging rings or anniversary gifts, couples demonstrate their commitment to each other, reaffirming their devotion. Such items are our most valued possessions – both financially and sentimentally.

Lost or damaged jewellery can never be replaced, but quality insurance can help make the loss easier.

Under our Private Client policy, jewellery is covered up to €10,000 – useful if your client owns valuable engagement rings and anniversary gifts.

Our valuables coverage has high single limits of €25,000 for unspecified jewellery in collections, which would be higher than some standard market policies.

Clients may find the perfect piece of jewellery when they are on holiday. DUAL is a useful partner here, too. We cover newly acquired items up to 30% for 90 days, protecting your clients for their journey home.

We also account for market appreciation, offering up to 150% of the sum insured of a valuation from the last three years.

For quality household insurance, speak to DUAL.

Stephen Corcoran is an Underwriter for DUAL Underwriting Ireland DAC. DUAL specialise, amongst other areas, in high net worth personal insurance in Ireland and are backed by Aviva.

DUAL Underwriting Ireland DAC (trading as DUAL Private Client) is regulated by the Central Bank of Ireland. Registered No. 633531. Registered office: 98 St. Stephen's Green, Dublin 2 D02 V324.

1 https://nationaljeweler.com/articles/2128-the-average-amount-spent-on-an-engagement-ring-is
2 https://nypost.com/2016/06/11/two-spinsters-a-single-mom-and-hollywood-conned-america-into-buying-diamonds/
3 https://daily.jstor.org/selling-the-mens-wedding-ring/
4 Etiquette, Emily Post – pp 876
5 https://time.com/4771179/history-anniversary-gifts-paper-silver-gold/
6 https://www.psychologytoday.com/gb/blog/our-emotional-footprint/201702/profound-need-our-traditions

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Bridging the gap: income protection for the self-employed and freelance workers

Xanthe Scheenjes, Protection Marketing Specialist, Zurich

CLOSE to 332,000 Irish workers are self-employed . This group is extremely diverse and can be found in every corner of the economy. Self-employed workers work in construction, in healthcare, practice law, run pubs, and your favourite local shop. Besides the more traditional self-employed professions, a relatively new group of self-employed workers has emerged - the number of freelancers has been growing steadily and has become a significant force in the Irish economy.

As a result of the ever-evolving demands of the global economy and fed by technological developments, the labour market is more dynamic than ever. Employee turnover has risen - the average duration of employment at a company has dropped from 12.6 years in 2001 to 5.9 years in 2021 . Lifelong employees are no longer the norm. Whereas many highly skilled workers used to have the security of a permanent contract, fixed-term contracts or even 'gigs' are on the rise as new generations of workers enter the workforce. Research by McKinsey shows that 72% of millennials would like to eventually become self-employed and now that Zoomers (also known as Generation Z) are entering the workforce the landscape is due to change again. Zoomers are digital natives that learnt to work from home at a young age given the experience that Covid had on them while they were still in school.

The protection gap for freelancers and self-employed

While working for yourself provides freedom and flexibility, it does not provide any financial security. When a self-employed worker gets ill or injured and is unable to do their job, their source of income may dry up. Indeed, provided that they have paid sufficient PRSI contributions, self-employed people are nowadays entitled to State income support in the form of an invalidity pension, but this form of support only covers long-term sick pay. One must be off sick for 12 months before being able to apply and then must prove that they are unable to work for 12 more months, the latter being quite difficult. In other words, self-employed workers cannot rely on the State to protect their income.

On top of the very limited income protection that the State provides, self-employed workers are largely underinsured. They are not covered by employers' insurance and often have not taken out a personal policy, causing a significant insurance and protection gap.

Why advising freelancers to take out Income Protection matters

- **Illness and injury can happen to anyone.** No matter how small the chance of illness or accident seems, the danger is always present. The chance of illness or accident seems so small, the danger is always present. Young people also get sick.
- **State income support for Self-Employed workers is very limited**. Self-employed workers are not covered at all during the first 12 months of their illness, and even when they qualify for an invalidity pension after those 12 months, the maximum personal rate provides a gross weekly benefit of € 225.50, potentially topped up with € 161.10 if you have an adult dependent and a maximum of € 50 for underage children. These benefits will be taxed by Revenue. Full details can be found on www.citizensinformation.ie
- **Few have enough savings to bridge the gap.** According to research by the Central Bank of Ireland, the average household has a savings buffer that would last 7.5 months when their source of income dries out. And around 1 in 6 households have no savings at all. Many income protection claims are paid out over several years – most self-employed people are unlikely to be able live on savings for such a long stretch of time.
- **Income Protection does not need to be expensive.** Many will overestimate the cost of income protection when they may be able to obtain a very good cover for a reasonable price. What's more - most freelance professions belong to low-risk occupational classes where premiums are lowest. Plus, the premium can be deducted from taxes.

It's worth noting that the average age of a freelancer is around 40. As most freelancers are skilled workers, they have often developed these skills over the years while in employment. Most freelancers do not start out as freelancers. By the time they start freelancing, they usually already carry significant financial responsibilities. Many will have families and have to pay off mortgages. These freelancers often previously had access to employee benefits, pensions, income protection insurance and life insurance and may be very interested in restoring the security that they used to have.

Designing an income protection policy

No two clients are the same, nor are their protection needs - that's why Zurich provides you with several options to build a policy around your client's needs.

Step 1: Choose the required monthly benefits

It is possible to insure up to 75% of your client's gross income, but this is not always required. The amount of income to insure will depend on your clients' personal situation. If, for instance, 50% of their income suffices to cover their cost of living, they can opt to limit their cover to 50%.

When calculating the gross income of a self-employed client, we advise to use their average income of the previous 3 years. If your client has only recently started out as self-employed, or when their income has fluctuated significantly, please email us at Underwritingsupport@zurich.ie or call us on 01 7992825 for tailored advice.

Step 2: Choose the deferred period

Not everyone needs their income to start as soon as they're out of work. Some clients will need protection as soon as possible, but others will have enough savings to bridge the gap for a few months. We offer the following deferred periods: 4, 8, 13, 26 or 52 weeks.

Step 3: Choose between a level cover or an increasing cover

As prices tend to rise, it may be worth considering having the level of cover adjusted to keep up with rising costs. With a basic level cover, your customer will be covered for the same level of monthly income whether they need it in two years' time or in twenty. At Zurich we provide options to help protect the level of cover from rising costs.

Step 4: Choose how long the cover lasts

Our income protection plan can provide cover up until the retirement age. The earliest age is 55 and the latest is 70.

Some cover is better than no cover

Is your client on a budget? There are ways to design a policy to make it more budget friendly. Some cover will always be better than no cover. Therefore, it is important for clients to know that they have options. To lower the premium, you could extend the deferred period, reduce the monthly benefits, remove indexation, but you could also offer short-term Income Protection by shortening the duration of the contract so that it ends at 60, 55, or even 50. It may be worthwhile to run a few quotes to provide your client with a few options.

You should note however that while a shorter-term contract will give your client a lower premium, the client may have more difficulty renewing their policy at the end of the term if a claim has arisen. Additionally, when the client is in claim at the end of a term, the payment of the benefits will be stopped.

If you have any questions about protection from Zurich Insurance, contact our Broker Consultants or visit zurichbroker.ie.

1 Central Statistics Office, 2023
2 Eurostat, 2022
3 McKinsey Global Institute, "Independent work: Choice, Necessity, and the Gig Economy", 2016
4 Central Bank of Ireland, "Quarterly Bulletin 04", 2022

The views expressed are those of the author at the date of publication unless otherwise indicated. Issued in May 2023 by Zurich Life Assurance plc. The information contained herein is based on Zurich Life's understanding of current Revenue practice as at May 2023 and may change in the future.
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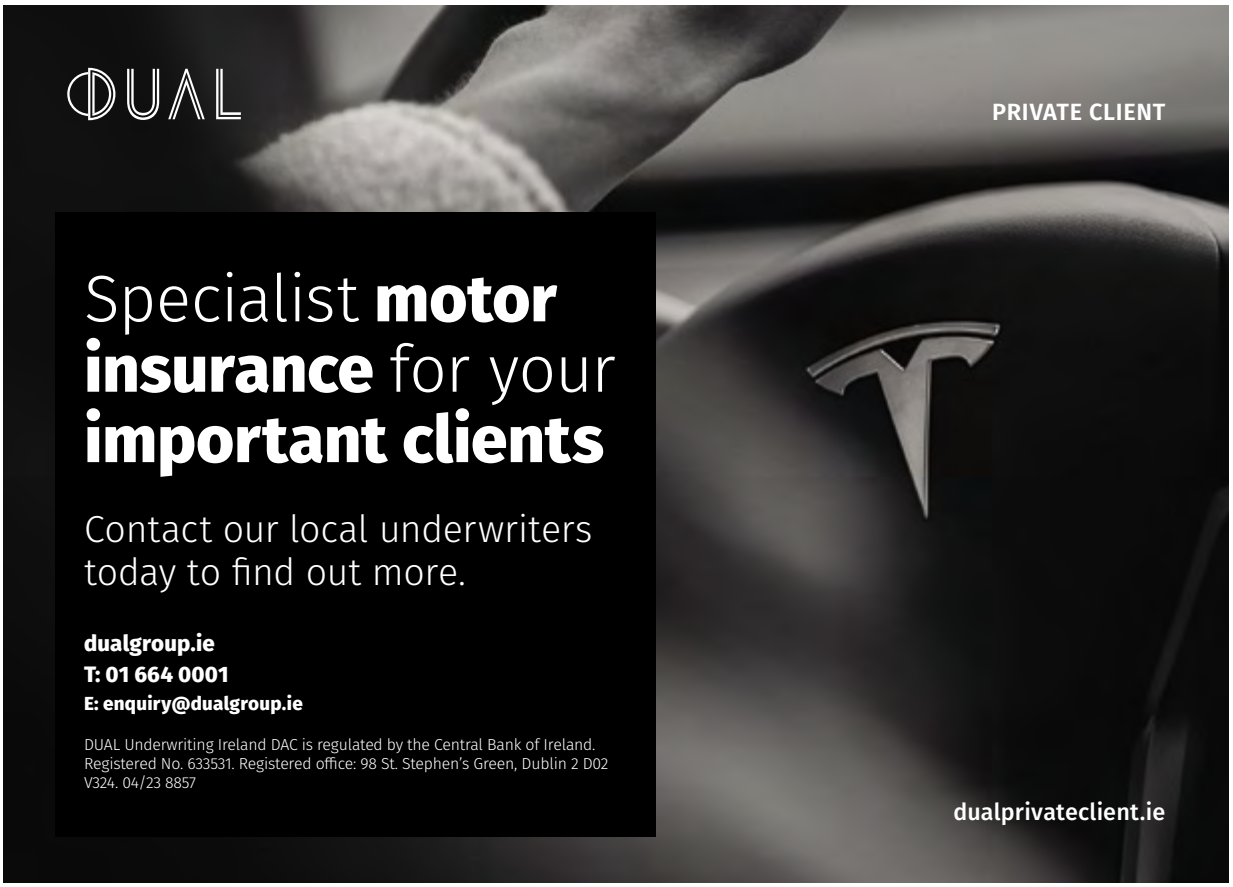

Changing the game with our new

We are pleased to announce the launch of our new game-changing PRSA.

Investment Choice

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- ✔ Widest choice of Multi-Asset Funds
- ✔ Wide choice of Article 8 ESG Funds
- ✔ Range of contract options available

Competitive Charges

- ✔ Fixed Allocation ESG AMC from 0.3%
- ✔ Multi-Asset ESG Passive AMC from 0.35%
- ✔ Standard AMC from 0.4%
- ✔ No policy fees or fund switch charges

Talk to your Account Manager or avivabroker.ie/PRSA

Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment can go down as well as up.
Warning: If you invest in this product you could lose some or all of the money you invest.
Warning: This product may be affected by changes in currency exchange rates.
Warning: If you invest in this product you will not have any access to your money until you retire.

For PRSAs that work for your business and your clients,
It takes Aviva.

AVIVA

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Changing the game with our new PRSA

AVIVA are delighted to announce the launch of our new PRSA Product. This new range of PRSA product options brings you a whole new level of investment choice and offers you a range of pricing options to suit your business and your client's needs.

We are all aware of the recent changes in legislation brought about by the Finance Act 2022 which confirmed that Employer contributions to a PRSA are no longer considered a Benefit in Kind, and which also allows for unlimited Employer contributions. For many advisers, these changes have brought the PRSA as a retirement planning product into sharp focus.

These hugely significant changes have brought about a massive shift to the retirement planning dynamic where we have seen customers going from asking their advisers, 'How much can my company put into my pension?' to advisers asking their clients, 'How much do you want your company to put into your pension?'

At Aviva, we recognise that these changes mean that the PRSA is a more viable retirement planning product than ever before and we are changing the game with our new PRSA products which deliver new pricing, a new fund proposition and new product options.

Competitive Product & Pricing

We have designed our new PRSA product with a wide range of options designed to suit you and your client's needs. Flexibility and a wide range of options are the key here. Under our Regular Premium option with AMCs from as low as 0.45% p.a., we have three products with 15 contract types offering a wide range of commission structures including initial, trail and renewal options. We have six Single Premium products with 33 contract types offering a similarly wide range of commission options to suit your business.

Extensive Fund Range

We all have different preferences for how we like to invest. While we recognise that it may suit some customers to invest in a low-cost lifestyle strategy which automatically de-risks as the customer reaches retirement, some individuals may want a more hand on approach to deciding how their pension funds are invested. The Aviva PRSA investment menu is designed to cater for all needs and to provide choice across asset classes, risk profiles and investment styles.

Our new PRSA fund range offers choice across fund managers, asset classes, risk profiles and investment styles.

Our **Multi Asset** range offers a simpler way to invest with responsibility with the built-in Aviva Multi-Asset ESG Range. This range of funds has built in ESG considerations into how they are managed. This means that investments can make a positive impact on some of the most important issues facing us today, such as climate change. Choose from our ESG Ranges, Active, Passive Plus and Fixed Asset Allocation.

Our **Select Range** allows customers to build and manage their own portfolio. The Aviva Select Funds have been hand-picked by our investment team and include multi-asset solutions from specialist fund managers, alternative funds, and a range of active and passive funds focused on single asset classes.

Meanwhile our low-cost **Default Investment Strategy**, My Future ESG ARF, offers a lifestyle solution that is tailored to the customer's selected normal retirement age. In addition, we also offer two alternative lifestyle options – My Future ESG Annuity and My Future ESG Cash – to cater for those customers who wish to fund for Annuity or Cash.

We want you to think of Aviva as your number one partner for your PRSA customers. Visit **www.avivabroker.ie** to find out about all our options and speak to your Account Manager.

Richard Hales, Pensions Propositions Manager, Aviva Life & Pensions Ireland DAC

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Allianz Ireland launch new **Climate Safe Homes Initiative** to futureproof Irish homes

Ursula Murphy, Chief Transformation Officer, Allianz Ireland

ALLIANZ Ireland, recently launched Climate Safe Homes, a new initiative to accelerate climate adaptive home building in Ireland. The programme is a first-of-its-kind for the Irish insurance industry and includes a new €1 million investment to help drive sustainable solutions and collaborative innovation across the financial services and home construction sectors.

As part of Climate Safe Homes, Allianz Ireland will bring together key stakeholders across construction, engineering, architecture and other related industries to pioneer and develop a new home building model designed specifically to withstand the effects of Ireland's changing climate. The project will initially focus on developing a climate resilient three bed semi-detached home, ensuring that affordability is taken into account. This approach is to ensure that climate adaptive solutions identified by the project can be retrofitted to existing housing stock. In addition, solutions developed through Climate Safe Homes aim to align with future approaches to housing in Ireland such as climate adaption for higher density housing.

"Climate change is one of the main challenges facing our society today, and while every effort must be taken to mitigate future climate change, we are already seeing the effects of changing weather patterns," said Ursula Murphy, Chief Transformation Officer at Allianz Ireland. *"At Allianz Ireland, protection that gives people confidence in tomorrow is at the core of what we do. Climate Safe Homes will allow us to help provide that by helping to transform Irish homes through climate adaptive building."*

> ***Climate change is one of the main challenges facing our society today, and while every effort must be taken to mitigate future climate change, we are already seeing the effects of changing weather patterns***

By leveraging the innovative design and construction techniques, Allianz Ireland believes homes designed through its Climate Safe Homes initiative could also help lower emissions through more sustainable construction methods and increasing energy efficiency in Irish houses.

Specialist MGA LIME, announces new capacity for Motor Fleet Risks

LIME has announced new capacity for Motor Fleet risks in Ireland, backed by international insurer Aioi Nissay Dowa Europe (AND-E). LIME, a trading name of Specialist Risk Europe Limited first entered the Motor Fleet market in 2015 shortly after the Business was launched. Their new capacity will provide a much-needed local solution for Motor Fleet Risks. LIME have commented that as well as standard car and van own good fleets of 3+ vehicles they welcome the challenge of complex Motor Fleet placement, including Haulage and Waste vehicles.

Lisa Gilton, CEO Specialist Risk Europe Limited, said: *"We are delighted to announce LIME's new capacity with AND-E. The team have been working really hard behind the scenes to ensure that we secure a comprehensive and flexible solution for our Broker partners, and I am thrilled with the outcome.*

We are now able to offer renewal terms to all of our existing Motor Fleet business, as well as new business quotes, for fleets of 3+ vehicles.

This is fantastic news ahead of our rebrand in June, where we will merge with our sister company Blackrock Insurance Solutions, to become MX Underwriting Europe. As MX, we will offer Motor, Property, and Liability solutions, and I am really looking forward to being able to offer this new proposition to the Irish Market."

Ian Cook, Managing Director of MX Underwriting, said: *"LIME are a fantastic team of Underwriters, with many years of expertise in Motor Fleet. Securing new, wider underwriting capacity is a brilliant next step for them. I would like to thank the team for their relentless hard work in securing this capacity, I know they are all thrilled to be able to provide a new offering to our Irish Broker partners.*

We are looking forward to LIME's upcoming rebrand, where they will merge with sister company Blackrock to form MX Underwriting Europe. As a united business we will be even more relevant and committed to enhancing our proposition and to be a key player within the Irish underwriting market."

Allianz

Climate safe homes

BUILDING A SUSTAINABLE, SECURE FUTURE

→ For more info go to allianz.ie/climate-safe-homes

Investment solutions inspired by adviser insight

Brendan Barr, Head of Investment Solutions, Standard Life

THE strength of Standard Life's investment platform is a testament to the strength of our partnership with advisers over the years. The platform has evolved significantly since the launch of the very first range of Synergy investment funds in 2005. Our offering today reflects the strong input and insight received from financial advisers to meet the needs of their clients. Today, with the global backing of Phoenix group, we're proud to offer a range of funds across the full-risk spectrum and access to world-leading investment specialists such as Vanguard and abrdn.

We offer a full-risk spectrum of investment solutions from passive to active, core to satellite, ESG to specialist solutions. Our range offers you and your clients unparalleled choice from names you can trust. We position our platform into 5 pillars – ranging from packaged solutions like MyFolio and Global Index funds through to the more specialist options such as direct equities which are available through the self-direct option.

Ready-made solutions managed for you

For those advisers who are happy to outsource their investment solutions for clients, the core offering is strong. MyFolio offers a choice of five risk targeted funds with separate Active and Market (passive) ranges to choose from. Our fixed allocation multi-asset funds, the Vanguard Global Index Fund range, offers clients the certainty of asset allocation into the future.

Vanguard Index fund - world class solutions that combine performance and price

Vanguard is the second largest fund manager in the world, with over 30 million clients in 170 countries. They pioneered index tracking fund management in 1976 and have a strong reputation for minimising tracking errors in managing large global index-tracking funds across asset classes.

Investors can access our range of standalone Vanguard index-tracking funds from as low as 40 basis points. The following funds are available:

- Vanguard Emerging Market Stock Index Fund
- Vanguard Eurozone Stock Index Fund
- Vanguard Global Stock Index Fund
- Vanguard US 500 Stock Index Fund
- Vanguard Euro Government Bond Index Fund
- Vanguard Global Bond Index Fund
- Vanguard Global Corporate Bond Index Fund

Our Investment Proposition

A focus on Global Index Funds

Our passive multi-asset funds give more certainty to clients, take the performance conversation off the table, and come at a very competitive price.

The Standard Life Global Index Funds, powered by Vanguard, are ready-made portfolios with fixed asset allocations between bonds and equities. These funds were launched in 2021 in response to demand from advisers for multi-asset Vanguard solutions that provide continuous rebalancing to ensure certainty of asset allocation for clients into the future.

These funds are designed to help your clients meet their financial goals and are a relatively low-cost route to invest in diversified, all-in-one portfolios. Each of the constructed funds in our Global Index Funds range offers a diversified blend of equities and bonds, built from Vanguard's underlying index funds. Funds can be accessed from as low as 45 bps.

There are 5 funds to choose from ranging from Global Index Fund 20 through to Global Index Fund 100. The fund number represents the global equity weighting of each fund, with the balance in global corporate and government bonds.

Responsible investments for investors with a cause

ESG has become a topical investment area in recent years. Our ESG investment options are built around funds that support progress in environmental, social or corporate governance (ESG) initiatives. In total we have 15 funds that are classified as either Article 8 or Article 9 including, the MyFolio Active suite which recently transitioned from Article 8 to Article 9, offering the potential for long-term investment returns by allocating capital across assets that meet strict environmental, social and governance criteria. This month we're launching an exciting innovation in this area, the Sustainable Index World Equity Fund which combines the surging demand for passive investing with a sustainable overlay.

A focus on the new Standard Life Sustainable Index World Equity Fund

The new Sustainable World Index Equity Fund is a unique offering, combining the benefits of ESG investment approach and passive investing all in one fund.

This fund, which is managed by abrdn, is a passive sustainable global equity fund, and combines the greater demand for passive investing, with a sustainable overlay.

The fund seeks to replicate a similar risk and return profile as MSCI World Equity Index, while delivering improved sustainability outcomes with higher ESG scores, lower carbon intensity, and higher revenue from green sources.

It will exclude companies that are involved in controversial industries, including tobacco, oil and gas, and weapon production. The fund will tilt more to equities with higher ESG scores. Consequently, the fund will hold significantly less securities than the main Index (currently 540 equities compared to over 1,600 listed on the MSCI World Index).

The fund will appeal to customers seeking a passive global equity fund, with a focus on sustainability, as the fund is classified as Article 8 under SFDR. The AMC ranges from 40 bps to 90 bps depending on the pricing option chosen.

The specialist solutions – for investors who want to DIY

On the specialist side of our offering, we provide several asset classes like global direct property, and European Smaller companies to name but a few. We also offer clients the ability to manage their own investment portfolio of direct equities and bonds through Stocktrade, the execution-only stockbroking arm of Lloyds Bank (Stocktrade offering is available on ARFs, BOBs and PRSA products only).

Secure options, for the more risk adverse

The recent sharp increase in interest rates has changed the secure option landscape considerably. Money market funds which were generating negative returns for so long during the prolonged period of negative interest rates, are now looking attractive. Standard Life has a unique benefit of offering deposit solutions on the platform.

The Euro Global Liquidity has a current gross yield of 3.18%* per annum and provides investors with the comfort of both a positive return as well as diversification across over 100 money market securities.

The three and five-year fixed rate structured deposits from Barclays Bank have been in particular demand in recent months, mainly across our investment bond and ARF products. Fixed rate structured products provide individuals, corporates, and charities with a fixed rate of return during times of uncertainty. We've seen many customers using our fixed rate products as a satellite portion within a diversified portfolio.

We look forward to adding one and two-year fixed-term deposits options in the coming weeks. Please speak to your Business Manager for further information.

As retirement specialists, it's important to us that we offer solutions that help people feel confident in planning for their financial futures. For more information on our ongoing innovations in the investment solutions space please contact your Business Manager of visit our Fund Centre on **www.standardlife.ie/adviser**

*Source: abrdn 19 May 2023. NB: The current gross yield is not guaranteed. Costs may increase or decrease as a result of currency and exchange rate fluctuations. This may impact what your client might get back.

If your clients invest in these funds, they may lose some or all of the money they invest. The value of an investment in these funds may go down as well as up. Income from investing in these funds may go down as well as up. An investment in these funds may be affected by changes in currency exchange rates.

From The Merchants Of Venice To Broker Consolidation In Ireland!

Shay Keane
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DID you know that one of the first exchanges of note was in the Port of Venice, long before the establishment of the London and New York Stock Exchanges! In this context an exchange was typically understood as a commercial activity conducted in a place or a forum where product manufacturers engage with purchasers of their goods. In Ireland we are more historically familiar with the concept of the Mart; you get the picture!

THE 'INTERMEDIARY' STAR IS BORN

As the use of these exchanges increased, the need for an intermediary evolved in line with the increasing number and sophistication of the goods and services coming into the market place. The original exchange, comprised of independent entities, was not set up in such a way as to provide a side-by-side comparison of the goods on offer. This created a context where buyers became uncertain about the amount of offerings available and, importantly, how to differentiate them.

This imperfection in the market needed self-correction and that is where the humble intermediary entered the fray! They are now recognised as a vital cog in the global exchange machinery.

Where there is an abundance of sellers and an equally abundant number of buyers one can reasonably deduce that there will be a significant amount of differentiation, valuation, orchestration - the list goes on! Hence the role of the intermediary could not be more important in such a market construct and one need only look at the evolution of Stock Exchanges, Insurance Markets and Investment Exchanges to appreciate their knowledge base in bringing specialist expertise to ensure transactions are understood and completed.

The role of the intermediary has evolved to become the trusted repository of market-wide product specifications such that their advice may be considered the KEY element in transactions happening between customers and product producers. And that is certainly good news, I hear you say!

Intermediaries have become perfectly placed to provide useful information that helps make the exchange process shorter or less costly, as well as offering an independent voice to those making transactions.

INSURANCE AND FINANCIAL SERVICES M&A IN IRELAND

This market has become very active in recent times and this is likely to continue for several years yet. The drivers creating this activity have been well chronicled but it is useful to remind ourselves of the factors embedded in the current market construct.

- Increased regulation and associated costs
- Need for scale to protect and grow margins
- Leveraging better deals by virtue of increased scale
- Broader product offering driven by increasing consumer needs

- Age profile of Brokers and the need for succession planning
- The interest of private equity and international buyers in making acquisitions

And now for the good news! The number of emerging Buyers seeking to acquire intermediary businesses, of all sizes and scale, is growing apace. If you are considering a sale of your own Life & Pensions or General Insurance brokerage, irrespective of its size, there are enough interested parties through BXI to find a perfect match for you.

With this level of market activity buyers and sellers will need to consider how they can best understand and quantify all of the potential options available to them. Their own business model, in a sense, points to the usefulness of employing an intermediary with expertise in M&A, to help them navigate the sales or purchase process. In effect employing a BROKER'S BROKER! This is where Broker Exchange Ireland, T/A BXI might be helpful to you!

IF YOU ARE YOUR CLIENTS' INTERMEDIARY- WHO IS YOUR INTERMEDIARY?

The market options and variety of potential deal constructs have now become so varied that a knowledgeable and trusted intermediary is crucial in ensuring the most favourable deal can be concluded. To emphasise this point, BXI have encountered examples of bilateral deals (directly transacted by the Seller and just one Buyer) where we have considered the selling price was less than could have been achieved by a broader market trawl. The scale of the discounts we have seen have varied from 15% to 25%. One can understand from a seller's perspective the emotions and time involved, the expectation of receiving a large cheque and the exhaustion experienced in a lengthy negotiation process, can have the capacity to blur perspectives. As a result a seller may leave more on the table than they need to, or would like to?

IMPORTANCE OF 'SHOPPING AROUND'

In BXI we communicate with numerous sellers, but what might not be as well known is our connectivity to a large number of potential buyers. Our experience indicates there are as many buyers in Ireland today as there are sizes of businesses for sale. We are currently dealing with circa 6/8 acquirers who are domiciled internationally.

We are also working with another 5/6 who would be deemed highly scaled international businesses based in Ireland, and we have around 10/15 indigenous trade players with an eye to expansion via acquisition.

With this number of interested BUYERS there will be many potential sales scenarios available to a seller, across various sizes and locations, and so it is important to appreciate that there are invariably more options at play than you might first think.

Completing a sale is a very demanding and technical process, and very much a life changing event for sure. If you are considering selling your business, or looking to acquire one it is vital that you have the relevant information and expertise to allow you evaluate all your options, in order to maximise the final value of your transaction.

In BXI we believe we can engage with you on the extent of the options available in the current market, and have shown that we can act in a trustworthy and timely manner to achieve your goals. And, segueing back to the start of this article, we are able to connect you with the current merchants of Venice!

We are well resourced in bringing M & A expertise to the sales process and we understand that making both professional and personable connections with sellers is vital for them to have full confidence in releasing their life's work to a third party, and, in a real sense, to trust us with undertaking these important negotiations on their behalf.

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Address: 33 Fitzwilliam Place, Dublin 2, D02 W899 | **Directors:** Seamus Keane, Tom Godfrey, Ted Webb

Sustainable investing for a new generation of investor

Andy Ivory Corr, Head of Investment Sales, New Ireland Assurance

KBI Global Investors (KBIGI) funds on the New Ireland platform are part of the 24 Article 8 Funds available to advisors from New Ireland. Andy Ivory-Corr Head of Investment Sales, New Ireland, talks to Niall Murphy, Senior Vice President Business Development, about KBIGI's approach.

KBIGI have been an early adopter of Environmental, Social, Governance (ESG) investing in Ireland. What factors drove this?

KBIGI has a longstanding commitment to ESG and Responsible Investing. As a global equity boutique headquartered in Ireland we deliberately set out to offer unique funds with strong environmental characteristics. As such, in 2000 we started our listed Natural Resources Equity strategies with the launch of the **Water** and **Alternative Energy funds**. We joined the United Nations Principles for Responsible Investment (UN PRI) in 2007 and set up the KBIGI's Responsible Investing Committee in 2014. We also initiated a proprietary and pioneering approach to measuring impact in our Natural Resources Funds in 2018. All our Natural Resources funds are Article 8 under the Sustainable Finance Disclosure Regulation (SFDR).

KBIGI scored very well again this year in the latest UN PRI assessment, can you explain to us the importance of that to your firm?

The UN PRI conduct an independent assessment of the ESG practises of its members annually. KBIGI achieved the highest rating across all 3 modules relevant to equity managers in each of the last 5 annual assessments. The results of the last assessment conducted using 2021 data is outlined in the table below. We believe it is a testimony to the comprehensive and robust approach to ESG and Responsible Investing practises implemented by KBIGI and we are very proud of the results.

KBI has achieved maximum possible rating from PRI

Max rating is five stars	2021 Rating	KBI Score	Median Score
Investment & Stewardship	★★★★★	95%	60%
Active Equity – RI Incorporation	★★★★★	95%	71%
Active Equity - Voting	★★★★★	92%	54%

Source: KBI Global Investors, May 2023

ESG investing is a huge part of what KBIGI do, why is it so important to you?

Quite simply because we believe considering ESG factors in building investment portfolios helps improves returns over the long term and improve the risk characteristics. Furthermore, the goals of ESG investing are worthy in their own right. Consider environmental factors - the most critical long-term challenge facing the global economy, and indeed the planet, is global warming so what is the point in investing to create acceptable investment returns for retirement in 25 years' time if global warming has made life somewhat unbearable? In our view all investment decisions should factor in environmental factors – it is too important to ignore.

Can you tell us the top five steps that you take in embedding ESG / Responsible investing in the firm.

The main five areas are 1. **Integration** of ESG into investment decisions; 2. **Engagement** with companies (both directly and collaboratively with other investors) to encourage companies to improve their ESG practises; 3. **Voting** at company AGMs and EGMs; 4. Measuring the **impact** on the UN Sustainable Development Goals (UN SDGs) of the underlying activities of companies; 5. Applying **Net Zero targets** to all portfolios which, in practise, target a reduction of carbon emissions by 7.6% annually from 2019 to 2024. Other than that we apply exclusionary screens to all portfolios, comply with ESG regulations and compile ESG reporting for our clients and investors in our funds.

KBIGI prefers engagement to exclusion. Why?

We think there is both alpha (excess investment return) and societal benefits from investing in companies that are committed to improving their ESG practises and engaging with them. Take, for example, big European utilities like Enel that are well down the glide path in terms of transition from generating electricity using polluting fuels like coal, to building out clean renewable electricity sources like wind and solar farms. If we refuse to invest in such companies until they get rid of all their legacy coal power stations we will lose out on an opportunity to **a)** own the stock at a price that doesn't fully reflect the speed of change of their business as companies with better ESG practises can command a share price premium **b)** engage with the company to encourage them to hasten their divestment of legacy "dirty" activities with poor environmental consequences, to activities that help the transition to a decarbonised global economy. Of course we exclude companies involved in certain undesirable practises (like tobacco or nuclear weapons) and those companies that have revenues from undesirable activities that exceed our specified thresholds.

What is impact investing and how do you measure impact in listed equity portfolios?

Impact is the benefit to society from the products and services of companies in which we invest. So for example connecting a rural dwelling in India to a town's water supply has a positive impact while burning coal to generate power has a negative impact. We recognised investors wanted a single metric to determine if a portfolio helps attain UN Sustainable Development Goals (UN SDGs) or is negatively aligned to the SDGs. KBIGI developed an innovative way of measuring impact for its listed Natural Resource portfolios to demonstrate the activities of the underlying companies are positively aligned to the UN SDGs. For example 74% of net revenues related to the activities undertaken by the companies held in the **KBI Water Fund** (as at 31.12.22), support attainment of the UN SDGs; primarily UN SDG 6 which is "Clean Water and Sanitation".

To find out more about New Ireland's KBIGI fund range, talk to your New Ireland Account Manager or visit fundcentre.newireland.ie

Warning: If you invest in these funds, you may lose some or all of the money you invest.
Warning: The value of your investment may go down as well as up.
Warning: These funds may be affected by changes in currency exchange rates.

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IORP II deadline for Group DC pension schemes
- time is of the essence

Eimear Scanlon,
Zurich Corporate
Consultant

AT Zurich, we've learned a lot about the impact of the Institutions for Occupational Retirement Provision (IORP) II on pensions over the past 24 months. Tight compliance deadlines were initially imposed by the Pensions Authority but thankfully these were extended to give everyone more time to adjust to the changes. However, we are now rapidly approaching the revised deadlines and there is a real risk of many Defined Contribution (DC) schemes not meeting them. As we're not anticipating any further deadline extensions, action really needs to take place now.

One member arrangements – progressing well

IORP II was transposed into Irish law on 22 April 2021. While many in the pensions industry lobbied for an exemption for small schemes and particularly One Member Arrangements (OMAs) – unfortunately this was not to be. Whilst a derogation was given to OMAs established prior to 21 April 2021 (they have until April 2026 to comply), the 30 June 2023 compliance deadline for post 21 April 2021 OMAs is nearly upon us. We have seen great interaction with this cohort of business, employers have completed participation agreements in their droves thereby smoothing the path into Master Trust (MT) arrangements.

Group DC Schemes – more work needed

However, we can't take our focus off the Group DC Pension Schemes. While their original compliance deadline was 1 January 2023, the Pensions Authority gave an extension to 31 December 2023 for schemes that made a formal commitment to wind-up and move to a Master Trust or PRSA in 2023. This commitment had to be made by end of last year with the wind-up being completed this year.

The alternative option was to remain stand-alone and to put the formal governance structures in place to ensure compliance with the IORP II directive. At first, it was thought schemes using professional trustees were 'safe' but we soon saw over 80% of employers and/or trustees of Group DC Schemes* making the commitment to wind-up and choose the MT route.

In hindsight this was not surprising given the additional requirement on all schemes to appoint Audit and Risk Key Function Holders per scheme and the requirement to produce a full audited account each year (regardless of scheme size). These additional costs would be borne by the employer which for many small to medium schemes is not sustainable.

How do you encourage people to engage in the process?

Winding-up a Group Pension Scheme is complex. If we want non-industry people to engage properly and meet deadlines, we need to make the process seamless, efficient, and cost effective.

Pension providers such as Zurich moved quickly to formulate plans to support the implementation of IORP II. This resulted in the development of 'bulk solutions' to manage scheme wind-ups involving significant additional resources from Legal, IT and Administration teams. The extra time afforded by the deadline extension to facilitate wind-ups and transitions to MT was hugely welcomed by the pensions industry.

These new bulk solutions enable a large number of group scheme wind-ups/transitions to be migrated to the MT every month. Known within the industry as 'drag & drop' or 'lift & drop', they aim to sign employers up to their existing provider's MT while winding-up and transferring pension assets to the new plan at the exact same time.

This would be a mammoth (dare I say insurmountable) task if we had to work off the 'old' wind-up process (members receive 12 weeks' notice, the process only starts when the new scheme was in place and Revenue approved).

However, MTs are already Revenue approved so are "willing & able" to accept transfers; the member notice period was reduced to one month under bulk transfer regulations; and IT capabilities have improved significantly over the years. All these contribute to a more efficient solution.

If everything is in place, why aren't employers moving?

So, the real question is - if there is an easy, cost-effective solution available for employers, why have less than 20% of relevant schemes* commenced the transition process year-to-date? We need to stress to the 80% of schemes that this isn't like the end of tax-year deadline for backdating tax relief and sending in cheques on the deadline day.

Even with the new efficient wind-up solutions, schemes need to consider the steps involved in what is a complex process. There are timelines under pensions legislation that must be followed and if you wait until December to join the queue it will be far too late.

At a high level the process involves:

1. Employers' complete documentation to sign up to their MT provider.
2. Employers and transferring Trustees sign the necessary paperwork to trigger the wind-up and pension asset transfer.
3. Members must receive one months' notice before making the transfer.
4. Finally, the scheme can't formally wind-up until the final Trustee Annual Report (TAR) is completed. The TAR preparation doesn't happen until after the wind-up date and asset transfer.

In addition to these steps, we have learned from experience that some employers must satisfy their own due diligence and have sought to engage independent legal advice before signing documentation. Some Trustees have also required legal input or want tailored solutions. This needs to be factored into the timeline.

So where does it leave us?

If you want your Group DC pension schemes to meet the compliance deadline of 31 December 2023, you need to engage employers in the transition process now. If you wait until the final hour, final week, even final month, notwithstanding IT solutions etc, the provider will not have capacity to transition your scheme and the employer/ trustee will be in breach of regulatory deadlines.

Ask your provider what solution they are offering for ALL of your group pension schemes and secure your MT transition date as soon as possible.

At Zurich our transitions are well underway. Please contact your Zurich Broker Consultant or the Master Trust transition team directly for more information.

*Source: Zurich, May 2023

Warning: The value of your investment may go down as well as up.
Warning: If you invest in this product you may lose some or all of the money you invest.
Warning: This product may be affected by changes in currency exchange rates.

Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Dooley Insurance Group and Irish Life Health collaborate at Punchestown

THE Dooley Insurance Group sponsored the Kid's and Family Zone at the recent Punchestown Festival in conjunction with Irish Life Health, the exclusive healthcare insurance provider the firms work with.

The 'Kid's and Family Zone' featured lounge areas, bean bags and chill out zones and was also where the Dooley Group and Irish Life Health had a health insurance consultation stand. Racegoers, keen to find out about family health insurance options and health care cover for their children popped by for a chat and to find out about the various health insurance options on offer through Irish Life Health and the Dooley Insurance Group.

Tim Dooley, Managing Director of the Dooley Insurance Group said, *"Our exclusive healthcare insurance provider, Irish Life Health has really good products for families, and this offers great peace of mind for parents. The 'Children Extra' product is very comprehensive and covers everything from sports club membership, speech and language, play therapy to parenting courses, counselling and orthodontics. We are proud to offer our clients access to a whole host of great healthcare insurance benefits through Irish Life."*

On the day people were invited to enter a draw to win a Nintendo Switch which was courtesy of the Dooley Insurance Group who also gave out free gifts such as stress balls and pens.

The Dooley Insurance Group is one of Ireland's largest Tim Dooley, Managing Director of the Dooley Insurance Group said, *"Health insurance is of course vital for all of us and it's great to have the peace of mind that someone can help you when you need them most. Our clients want to pick up the phone and speak to a 'real person' and get bespoke advice, and that is what we offer. Irish Life Health offers great healthcare insurance policies for families, and they really have the finger on the pulse when it comes to providing what people need to insure and protect the health of their family. We are delighted to work here today with Irish Life Health and to be part of the Punchestown Festival again."*

Conor O'Neil, CEO Punchestown pictured with Mary and Tim Dooley of the Dooley Insurance Group.

AXA Smart Farm Insurance now includes Environmental Impairment Liability cover as standard, so your Agri clients can avoid the significant costs associated with farm pollution clean ups.
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Don't get cleaned out by pollution clean-up costs
For more information, get in touch with your Agri Broker Development Manager.
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Making Better Futures Easier

ALTHOUGH we are never sure what the future holds one thing we know for definite is we are all getting older! It is possible that over the next two decades more people in Irish society may need to make the financial best choices at retirement and in making the right choices, they may need more guidance than ever. Brokers have likely encountered customer interactions where knowledge can be low for people navigating finance decisions for retirement and nowadays there is no 'one size fits all'. Consumers will be looking for best bespoke solutions for them and ongoing advice as and when, their circumstances change.

With such a buoyant market and with customers daunted by the complexity of post-retirement reality, you want to make sure you're able to give your clients reassurance and simplify information for them. To do that it's important that you work with a product provider to make sure this process runs smoothly for you and your client and making better futures for them easier.

There are 4 key ways in how we live this promise of 'Making Better Futures Easier'.

1. **We make it easier because we offer a wide range of investment solutions** – we have a choice in funds and also bespoke Retirement Equity Portfolio (REP's) funds built specifically for post-retirement investing.
2. **We make it easier because of our unique and seamless digital tool kits.**
3. **We make it easier because of how we serve your needs** - facilitating bespoke draw downs and the claims team making the move from Irish Life pensions to ARF's seamless.
4. **We make it easier because we have been working hard to improve our prices** and become more competitive while still delivering a high-quality service for you and your client.

Retirement investing has unique needs for your customers and unique challenges. Retirement can last for +25 years so to make assets last this long means taking equity risk but this in turn exposes you to losses in early retirement, so equity selection is critical and order of returns is important.

With that in mind we developed REPs, our purpose-built post retirement multi asset funds. Taking into the unique risks that arise in post-retirement investing such as sequencing risk, longevity risk and inflation we have built in defensive asset allocations, a focus on income generating assets and risk management strategies that aim to reduce the risk of poor returns early on. Our REPs funds are now over three years old and have proven to be a very successful addition to our fund offering.

As promised we have continued to develop our digital tool offering, in particular our MyRetirement Pathfinder system. What this digital offering means to your business is 'time back' as you can create personalized, professional and comprehensive reports for your client to help you advise with the lowest amount of time and effort. The My Retirement Pathfinder tool allows you to support your advice, which your client really values, by painting them a picture of what retirement will look like in a really straightforward and intuitive way.

Over the last number of years, we added increased functionality to allow for inclusion of other incomes in the report, tax rates, additional funding perspectives, all of which have received good feedback from many brokers. However, some brokers gave us feedback that they wanted the system to be able to do very simple calculations and reports for a certain cohort of their clients. We recently did a complete review of the system and have enhanced the experience for brokers who just want to do a very simple report whilst also allowing brokers who want to broaden the information included in a similarly straightforward and intuitive way. I would strongly recommend you trying the system to see the improvements we have made.

On top of these two innovative and value adding developments we also have the facility within our systems and products to facilitate nominated fund withdrawals, fixed monetary withdrawals whilst offering a broad range of competitive and flexible pricing structures.

Overall, we are confident that some aspect of our proposition will suit your business or your clients' needs and I would encourage you to explore this further either through www.bline.ie or by contacting your Irish Life account manager.

Irish Life Assurance plc is regulated by the Central Bank of Ireland. Irish Life Financial Services Ltd is regulated by the Central Bank of Ireland.

Maurice Cuffe, Retirement Proposition Manager, Irish Life

BIBA CONFERENCE 2023

THE 45th BIBA Conference took place on 10-11 May 2023 in the Manchester Central Convention Centre. Described as one of the largest insurance broking events in the UK, it was estimated that 8,000+ attended this year's two-day event, including a large contingent of Irish Brokers who travelled to Manchester for the Conference.

The BIBA Conference is a reliable cornerstone of the insurance market and since its inception in 1978, has established itself as the 'must-attend' event for insurance professionals looking to network with their peers and learn about the latest underwriting products, services, and industry trends. Each year the BIBA Conference is the place for the insurance community to reunite and make new contacts and remains a milestone date in the diary of brokers, insurers, MGAs, and insurance services providers alike.

The 2023 conference – anchored by the timely theme of 'Rising to the Challenge' proved no exception, with a wide variety of speakers and insurance company representatives who discussed how the insurance industry has continued to positively respond to the recently ever-changing political, environmental, and economic dynamics in the UK and beyond.

Topical agenda themes at the 2023 event included Customer Service in a Post Pandemic World; The Political and Economic Seesaw; Broking Challenges in Difficult Economic Times; ESG for Brokers; Navigating Uncertain Times; International Insurance Trends; Helping New Recruits Become Brilliant Brokers; Insurance Broking – What Does Good Look Like and the Young Broker Agenda, to name but a few. Cyber risk also remains a talking point within the industry.

The conference has a well-earned reputation for showcasing the most influential and inspiring speakers and this year was no exception. The agenda was packed with a line-up of insightful experts and invaluable conference content with 40+ speakers. Some big-name celebrity presenters took to the seminar stage including broadcaster Fearne Cotton; fitness and wellbeing coach Joe Wicks; former politician Ed Balls and Alastair Campbell; Olympian Sir Mo Farah; Ellie Simmonds OBE and Dr. Alex George. The BBC Broadcaster Huw Edwards acted as the conference MC for the duration of the event. Over the decades, Huw has anchored BBC One's Ten O'clock News and leads BBC coverage of major national stories and events.

The main conference exhibition hall was a teeming hub of activity, vibrancy, and energy with 220 industry stand-holders on-site exhibiting to the 8,000 Broker stronghold in attendance. Show-stopping and extravagant exhibition stands with many attractions and incentives for attendees added to the carnival atmosphere and was hugely conducive to considerable business exchange, engagement, and networking for all delegates.

There was also an on-site wellness zone for delegates at the conference, including stretching workshops, bite-sized talks on mental health & wellbeing, massage, and puppy therapy (yes you read it right!).

With thousands of insurance professionals gathered under one roof over two days, the BIBA Conference

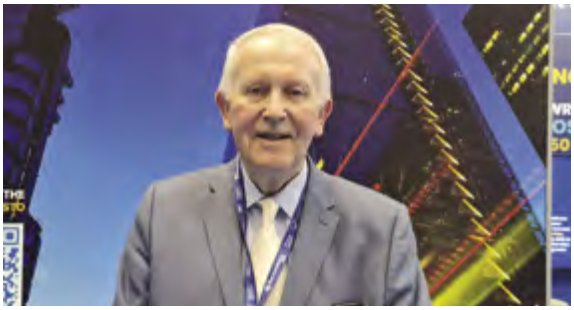
Rising to the Challenge in Manchester

doesn't fail to deliver in providing an unrivalled forum for industry to do business together, efficiently, and effectively. Commenting on the event, Steve White, BIBA's Chief Executive, said: "The overwhelming support from Brokers, and the event has been incredible over the last two days here in Manchester. I would like to thank our conference team and all the employees at BIBA for 'rising to the challenge' of delivering another fabulous BIBA Conference. I would also like to thank everyone who made the decision to join us and make this such a successful conference."

BIBA's chief executive, Steve White, also announced during the conference that he will be stepping down to retire as CEO of the association, later this year.

The event proved to be a great productive opportunity to meet industry providers, MGAs, and fellow Brokers and to revisit existing and explore new business connections. There is something compelling about the BIBA conference and being able to tap into the energy that is generated by industry coming together under one roof makes it a very worthwhile and insightful experience. Insurance is a relationship-driven business, and this event provides a great opportunity to connect with people – people that you work with, people that you don't know, and the wider market of Brokers, insurers and providers.

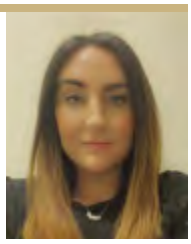
Brokers Ireland **Meet the Market Day** will take place once again on Thursday 05 October 2023 from 10:30-16:00 hrs in the RDS, Dublin 4, and is again being sponsored by AXA insurance. Last year's event was a huge success with over 500+ Brokers in attendance and we expect that over 90+ suppliers operating in the Irish market will showcase their products/services this year to Insurance Brokers. The event is a great opportunity to network with colleagues, renew connections face-to-face, generate new contacts, and meet market suppliers on a one-to-one basis. For further information on exhibiting at this year's Meet the Market Day, email **events@brokersireland.ie**



Liam Carberry, President of Brokers Ireland at BIBA in May.

aspiring

APPRENTICES



Interview with **Sonya Lee, Kevin Condon Financial Brokers**

TELL us a bit about yourself and your hobbies. What do you get up to out of work?

My name is Sonya Lee, I am 31 years old, and I am from Cork City. I am in my third year of the apprenticeship programme as a life apprentice while employed by Kevin Condon Financial Brokers as a Mortgage Advisor. Before the apprenticeship program I had no previous experience in this area, it was a complete fresh start. I love my job and how interactive it is with clients and how we can help people get a mortgage for their dream home. I am a Mum of a 6-year-old girl who is in school, so life gets busy with work and study but at the weekend I take some time off to relax and spend time with family and friends.

How are you finding balancing studying alongside working?

Balancing work and study can be difficult, but time management is extremely important. I think if you have a good study plan and stick to it as much as possible it will work out well. Taking a specific day in the week for college work and getting ahead of assignments can help so when exam time comes along the worry of completing assignments is over.

What skills do you think you have developed most since joining the apprenticeship programme?

Since joining this programme my time management skills have developed a lot. I can now manage each week a lot better than year one. This is not simply good for the programme but also for my work and social life in the future. My social skills have also improved a lot, I met a lot of new people while in this programme ranging from students, lecturers guest speakers and clients. I have gained so much knowledge from each of these people. My speaking skills and my computer/ admin skills have improved a lot also. We have taken numerous modules like Marketing and Excel and my skills in these areas have developed as I would not have known much about them previously.

What advice about the insurance and financial services industry would you give to anyone hoping to make a career in it?

The best advice would be to have a suitable time management plan in place to help with work/life balance. Next would be to enjoy your role while completing the programme. If you are interested in the area it helps. There are many different careers available after the apprenticeship program. You can choose a career in general insurance which involves areas like car and house insurance, or you can take the life route which involves things like Mortgages, Pensions, Life assurance. Once completed you could always take a completely different route as you leave with a business degree. The insurance industry is a lovely place to work, and each day is different to the next.

What has been your favourite thing about the insurance apprenticeship so far?

My favourite thing about the insurance apprenticeship is the skills you learn along the way as you work and learn. When I complete my apprenticeship program in August 2023 I will be qualified in my role but I will also have 3 years' experience to go along with this. That experience is very valuable and cannot be got by just studying. My co-workers have been amazing help to me throughout the programme with training in my job but also my study. It has been great to have people I can lean on throughout the process. I also loved meeting all the new people.

What have you achieved in the last 12 months that you are proud of?

I am most proud of nearly completing this apprenticeship programme while working full-time and being a full-time Mum. It seems impossible but it is manageable if you put your mind to it. I am working in a job I love while studying and furthering my education. I am proud of all the exams I have passed which at the time felt stressful, but it is all worth it in the end. I am also proud and grateful for the new friends and colleagues I have gained through the programme.

Where do you see the Irish insurance and financial services industry in 10 years and how will the apprenticeship programme have contributed to that?

I feel the industry needs an influx of young energetic financial advisers, who have gained experience through this apprenticeship scheme while working day to day in the industry . The opportunities once finished the scheme are endless. I think the insurance industry will be more versatile with all different age groups and genders in 10 years due to this programme.

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Embracing Micro-credentials in the EU Year of Skills

Rosa Whitfield

An Introduction to Micro-credentials by Rosa Whitfield, Head of Teaching and Learning at The Insurance Institute of Ireland.

THE sustained development of skills has long been the cornerstone of a thriving career. With rapid transformations in our industry impacting not only what we do but also how we do it, continuing professional development has assumed a pivotal role in shaping professional growth.

While a four-year degree is often seen as the bedrock for entering the workforce, it is becoming clear that neglecting to build on this foundation can result in an education gap and, ultimately, a shortage of vital competencies, affecting both employers and employees.

In this EU Year of Skills, there is a renewed focus on upskilling, reskilling and continuous learning. This focus is to ensure that people get the right skills for quality jobs and help companies address skills shortages which will ultimately benefit consumers.

As a logical consequence, Higher Education institutions have built close working relationships with industry, exemplified by the long-standing partnership between the Insurance Institute of Ireland and Atlantic Technological University. This collaboration has facilitated an educational solution to address the need for upskilling and lifelong learning. This solution is micro-credentials.

Micro-credentials are specialist programmes of learning which are normally conducted on a part-time basis through online platforms, representing a flexible pathway to continuing education. They are learner-centric to ensure optimal support for participants in developing their professional knowledge.

In truth, the concept of compact courses is not new to Ireland. The infrastructure for these certifications is well-established - what has changed is the international acceptance of these programmes. A case in point is the recent call from the Council of the European Union to adopt a unified approach to micro-credentials across the EU, promoting lifelong learning and employability. The recommendation stated that:

Micro-credentials could help certify the outcomes of small, tailored learning experiences. They make possible the targeted, flexible acquisition of knowledge, skills and competencies to meet new and emerging needs in society and the labour market and make it possible for individuals to fill the skill gaps they need to succeed in a fast-changing environment, while not replacing traditional qualifications.

What sets Micro-credentials apart from other training?

There is a diverse range of training options available to learners, spanning from informal on-the-job training through to advanced Level 10 PhDs. In a modern workplace, all types of learning hold significance and fulfil a specific need in the context of professional development.

What sets The Institute's micro-credentials apart is the fact that they have been developed by Higher Education Institutions, lending credibility to the learner's certification on completion of the programme. Furthermore, our micro-credential signifies that the course has been developed in a formal way, in line with the National Framework of Qualifications' guidelines and that it's assessed against transparent standards. For the learner, this means they have something portable, tangible and verifiable to show as proof of their achievements.

A 2021 Quality and Qualifications Ireland (QQI) report into benefits of micro-credentials ascertained that micro-credentials can:

- facilitate skills education that has strong correlations to work and workforce enhancement opportunities.
- fulfil the needs of upskilling or reskilling the workforce, particularly relevant in the context of high technological innovation and change in the economy; and
- create customised skillsets for young professionals.

Micro-credentials also offer a pathway to pursue broader qualifications and can contribute towards recognition of prior learning (RPL) for other programmes of study.

Rosa Whitfield, Head of Teaching and Learning in the Institute commented, *"Micro-credentials are a great way to evidence skills and knowledge in specific subject areas which is so important when demonstrating fitness and probity to the customer".*

Micro-credentials from The Insurance Institute of Ireland

The Insurance Institute of Ireland has launched three micro-credentials: Motor Specialist, Liability Specialist and Commercial Property and Business Interruption Specialist. These micro-credentials have been developed to provide the right type of specialist training in sought-after, technical insurance disciplines, while encompassing opportunities to meet and build meaningful relationships with like-minded professionals.

Motor Specialist (MDI-04)

This digital badge is designed to provide an in-depth understanding of motor insurance. It covers a variety of topics such as the Road Traffic Act, policy exclusions, public places, unlicensed drivers, contingency covers, motor fleet, and rating criteria. The badge is designed to present a range of realistic scenarios to help learners understand how these concepts apply in real-world situations. By completing this digital badge, learners will gain a comprehensive understanding of motor insurance and be better equipped to navigate the complexities of the industry.

Liability Specialist (MDI-05)

The MDI-05 digital badge is designed to equip learners with the practical knowledge and technical expertise they need to confidently make key decisions in their roles.

The badge also provides a broader understanding of the strategic drivers that shape pricing, risk appetite, and policy wordings for liability insurance, which is crucial in the rapidly evolving insurance industry. By completing this digital badge, learners will be equipped to tackle new challenges and provide innovative solutions to the insurance problems faced by the market. This digital badge provides an exciting and diverse career path for learners seeking to build a successful career in insurance.

Commercial Property and BI Specialist (MDI-06)

The MDI-06 digital badge centres on Commercial Property & Business Interruption insurance, a rapidly evolving part of the insurance industry. With many large business customers needing complex insurance solutions, this digital badge offers learners the opportunity to broaden their insurance knowledge by working on cases across different classes of cover. As business opportunities evolve and access to new markets increases, so do the insurance needs of these businesses, making Commercial Property and Business Interruption insurance an exciting area in which to work. By completing this digital badge, learners will be equipped to handle the challenges of this dynamic industry and develop their roles over time as their knowledge and expertise grow.

Digital Badges

On successful completion of the content, learners will receive a certified Digital Badge, jointly awarded by ATU and the Institute.

The close link between ATU and The Insurance Institute of Ireland ensures that we will be able to continuously refine these programmes in response to changing industry needs, leveraging on the agile nature of micro-credentials. These specialist modules are positioned at Level 8 on the National Framework of Qualifications and take the form of a digital badge, which is a visual, portable and easily verifiable representation of the learner's achievement.

Participants on our micro-credential courses will benefit from the same student experience as their peers on the Higher Diploma in Insurance Management, while having the flexibility to conclude their studies after obtaining their digital verification or they may decide to continue to progress towards the larger award.

Gavin Clinch, Head of Online Learning Innovation, ATU noted that 'At ATU we collaborate closely with industry and ensure that the learning outcomes from our qualifications reflect industry need. Our relationship with the Insurance Institute of Ireland has resulted in modern, relevant qualifications that have been designed to support professionals in their career development goals. We are also delighted to be in a position to launch our digital credentials which will make it easier for certified professionals to demonstrate their achievements.'

For more information on the new micro-credentials please visit our website, https://www.iii.ie/qualifications/micro-credentials or contact us at mdi@iii.ie.

Royal London Ireland delivers record new business sales

BUILDING on its continued growth over the past 10 years, in 2022 Royal London Ireland recorded life and pension sales of €238m (2021: €216m), as well as holding a 30.2%[1] share of the Irish broker protection market, maintaining its market leading position.

In addition, building on its strong brand and reputation with Financial Brokers, Royal London Ireland entered the individual pension market in September 2022, launching a Personal Retirement Bond (PRB) and an Approved Retirement Fund (ARF). It now offers customers access to its investment fund range and services.

Commenting on the results, Noel Freeley, CEO of Royal London Ireland, said: *"We are firm believers in the value of advice and that impartial financial advice is key to customers achieving the best outcomes. That's why our products are only available through Financial Brokers. Royal London Ireland's 2022 results are testament to the strength of our reputation within the Financial Broker community for delivering excellent service and great value.*

"We continue to innovate, enhance, and widen our product range to ensure we meet consumers' evolving needs. We added improvements to our Income Protection and Specified Serious Illness protection policies during the year, without any cost increase for customers. And to help more people build financial resilience into retirement, we launched our new pensions proposition, which followed extensive consultation with Brokers and consumers.

"We have been delighted with the initial response to what has been the first life assurance provider to enter the Irish pensions market in more than 30 years, and we look forward to supporting even more customers with their financial planning.

"We're now in a position where we are market leader for Broker protection products so we're building from a great platform as we continue to grow and innovate. Our focus on service has been key to this growth and we have proudly won the award for Service Excellence[2] for the past five years."

The pensions proposition also includes ValueShare, a unique feature that is exclusive to Royal London Ireland pension customers.

Noel added, *"In addition to providing products developed with customers in mind, supported by excellent funds and service, we also offer eligible pension customers ValueShare.*

"ValueShare offers an additional policy value percentage savings boost that may be added to eligible customers' fund returns, allowing them to share in Royal London Ireland's success[3]. Our ability to share our success with customers is possible because we are owned by a mutual and adopt a mutual mindset.

"We made our first ValueShare award in April, with all eligible Personal Retirement Bond and an Approved Retirement Fund customers receiving a boost to their policy values."

For more information, visit www.royallondon.ie or speak to your Royal London Ireland Broker Consultant.

1. Royal London analysis of market data as at Q3 2022.
2. Royal London Ireland received the Brokers Ireland Excellence Award for Service Excellence in 2017, 2018, 2019, 2021 and 2022. The awards did not take place in 2020 due to the pandemic.
3. A ValueShare award is not guaranteed. The amount of any past ValueShare awards are not a guide to the amount of any potential future ValueShare awards.

Brian Mahon congratulates Aviva's local Institute Presidents

Brian Mahon, Managing Director, Commercial Lines – Aviva Insurance Ireland

WITH the earlier interview covering Declan O'Rourke's appointment to President of the Insurance Institute of Ireland, I thought it would be remiss of me not to congratulate our local Institute Presidents.

Firstly, a huge congratulations to **Dave Whelan outgoing President of the Dublin Insurance Institute** on what was a very successful year. Dave first engaged with the local Institute of Dublin in 2010. At that time a colleague, Frank Kavanagh, was heavily involved, and he had mentioned how it was a great way to network with the insurance community and people working in the industry from various backgrounds. This really appealed to Dave as he wanted to widen his network and the local Institute seemed like a great way to go about it. The connections Dave made through the insurance community in Dublin have been great – both from a personal but also a professional perspective. Prior to the pandemic, there were lots of opportunities to meet with colleagues and peers – be that through social events organised by the Institute or through CPD lectures. Involvement with the local Institute is important at every stage of a career in insurance and certainly in those earlier years as it can help build your profile within the insurance community and it encourages ambition.

Dave believed it was a great honour to be appointed President of The Insurance Institute of Dublin. His main priority as President was to focus on education and assisting members on their educational pathway. As an industry we have much to be proud of, but there is still some work to be done in shifting the mindset from insurance as a job to a profession. Education is central to this, and Dave wanted to focus on what might be stopping people from taking that next step. Life-long learning is essential to a career in insurance, and it is something which will help to improve people's professional development and their career options. We need to be encouraging and supporting educational qualifications. Dave believes it is something that needs to be fostered and nurtured in younger members when starting out as, if they can prioritise their education and understand its value, then hopefully this is something that will continue throughout their career.

Secondly best wishes to **Michelle Curran on her appointment as President of the Sligo Insurance Institute.** I am sure an exciting year awaits Michelle, and I am already looking forward to her President's dinner on the 17th of November, at The Radisson Blu in Sligo.

Michelle first began her journey with her local Institute in Sligo in 2018. At that time, the Institute was seeking new members and her manager, Sharon Slack felt it would be an ideal opportunity to network and engage with other like-minded people in various sectors of the insurance industry. After a little hesitation, Michelle put her name forward and was selected as a representative on the council.

Michelle recalls her first meeting in The Glasshouse in Sligo and the struggles with navigating the Sligo one way system, whereby she could see the destination but couldn't actually work out how to get there! However, things only got better from there and her involvement with the local Institute has been extremely beneficial both from a career perspective and the friendships that she has forged along the way. She says that the team at Sligo Institute are a group of special people and the connections made both in the council and the wider industry have opened doors and created opportunities that would not have been accessible but for the people she had met through the council and at the organised events.

She is confident that the support and encouragement she has received so far will continue in the year ahead as she takes on her role as President of the Sligo Insurance Institute. Michelle is proud of the achievements of the Sligo Institute and was delighted to take on the role of its President for 2023/24.

Her focus will be on education and in particular encouraging institute members on their educational pathway via the apprenticeship programme through Atlantic Technological University Sligo. Indeed, this focus will be something that Michelle will be living first hand. In her current role as manager of the Fast Trade Team in Aviva, she will be welcoming four new apprentices into the team before the end of June and preparing them for the September year one intake of the programme. In her words, she "fell" into the insurance world by chance, like many others, and by working her way through her qualifications, advancing her career and raising two young daughters all at the same time, she recognises the key role that there is in the industry for apprentices and the value they can add.

As she reflects on her career, she can identify with the apprentices coming onboard - she learnt on the job and did her exams alongside building her career and gained her ACII in 2018. Michelle is rightly proud of this achievement and is grateful for all the help and reassurance she received. She intends to pay this goodwill forward to other members by encouraging them to continue with their professional education, at whatever level they may currently be at.

Michelle is looking forward to the year ahead and getting stuck into planning her President's dinner in November. This event is always an enjoyable evening and is well worth the effort to attend even if you fall outside the Northwest region. However, getting soaked during the day at the IIS charity event on the links course at Rosses Point Golf Club is an optional extra that shouldn't be missed either. Finally, she is also looking forward to travelling to other Institute dinners in Ireland, catching up with old friends in the market and making some new ones as well.

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Additionally, as part of our commitment to support women's rugby, we were delighted to sponsor RTÉ and Virgin Media's television coverage of the Women's Six Nations Rugby.

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Please get in touch with your Royal London Ireland Broker Consultant for business support across Pensions and Protection. Visit www.royallondon.ie/brokers

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Increasing the **life-time value** of scheme members

Karl O'Meara Founder & Managing Director, Centric

NOT everything that glitters is gold! For the smaller adviser, this phrase often rings true when it comes to their book of group pension business. Decent sized schemes which start out with great promise often end up just about washing their own face when it comes to scheme revenue. The reason for this doesn't stem from the work that goes into group pensions but rather the income that comes out.

To assess the value of any client we need to consider their life-time value to the business. Simply put, their life-time value is the average income they bring to the business, over the time they are a client. On average, individual clients have a far higher life-time value to the business than that of their poorer cousin, the scheme member. There is one very glaring reason for this - relationships.

Individual clients actively pick a specific adviser to manage their pension affairs. Scheme members don't have that luxury. Members of pension schemes are given an adviser nominated by their employer. Before they know it, they are in a room talking about their pension affairs with a stranger they have no relationship with, who has an uphill battle to win their trust and confidence to convert them into a client for life.

Two other factors compound this issue for the adviser. Group schemes have a very structured review process, so advisers only tend to see scheme members once a year at the renewal meetings. With the best intentions, it is difficult for the adviser to get airtime with members more regularly as this is their place of work, and any communication is channelled through HR.

Secondly, to add to this already weak relationship, the adviser passes the scheme members to an insurer Thus further diluting their brand and fledgling relationship with the scheme members.

Advisers in the Australian market recognised many years ago that collective Master Trusts caused a significant deterioration of their brand in the eyes of clients. Like in Ireland, the trustees of superannuation funds in Australia had an obligation to ensure that scheme members were kept informed This was an obligation which the insurers were only delighted to accommodate, by-passing the adviser, and getting their brand in front of millions of clients every year.

To thrive with group schemes, advisers need to significantly increase the life-time value the business is earning per scheme member. To achieve this, they need to ensure they have the facility to provide low cost multi-scheme marketing throughout the year and offer the members a proposition that will keep them engaged for life and not just for their time in that pension scheme.

We've introduced PensionsVault as an off the shelf solution to help advisers increase their visibility and relationship with scheme members. It is Ireland's only independent platform where employees can manage ALL their pensions in one place. It is designed so they can even include overseas benefits, helping them to see their future in a single view. Exclusively available through advisers, PensionsVault becomes the platform of choice for employees, wherever their career takes them, ensuring they are always connected to their adviser.

If you'd like to see for yourself what PensionsVault can offer, just get in touch for a free trial. www.centric.ie

Aviva launches four new funds to support you

WITHIN Aviva, we continue to enhance our range of Article 8 Funds and are delighted to now add three new funds to our overall range to support you and your customers' investment needs. We also launched a new Emerging Market Equity Index Fund for your clients that would prefer to take a passive approach to their Emerging Markets exposure. All of these funds are managed by Aviva Investors.

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Warning: If you invest in this product you may lose some or all of the money you invest.
Warning: Past performance is not a reliable guide to future performance.
Warning: The value of your investment may go down as well as up.
Warning: These funds may be affected by changes in currency exchange rates.

Fund	Asset Class / Management Style	Risk Rating 30 April 2023	SFDR Designation	Investment Objective
Global Leaders Equity Fund	Global Equity / Active	6	8	This Fund invests in the Aviva Investors Global Endurance Acc Fund (the underlying Fund). The underlying Fund aims to grow your investment over the medium to long term by principally in a concentrated portfolio of 20 to 40 companies from anywhere in the world that the Investment Manager believes to be leaders in their respective markets.
Global Equity ESG Passive Fund	Global Equity / Passive	6	8	This Fund aims to grow your investment over the medium to long term by principally investing in the companies that make up the MSCI Word Index. It aims to deliver a better ESG profile than the MSCI World Index by investing in companies with a higher ESG score and lower carbon footprint than the Index.
European Equity ESG Passive Fund	European Equity / Passive	6	8	This Fund aims to grow your investment over the medium to long term by principally investing in the companies that make up the MSCI Europe Index. It aims to deliver a better ESG profile than the MSCI Europe Index by investing in companies with a higher ESG score and lower carbon footprint than the Index.
Emerging Market Equity Index Fund	Emerging Market Equity / Passive	6	6	This Fund invests in the Aviva Investors – Global Emerging Markets Index Fund USD ACC (the underlying Fund). The underlying fund tracks the performance of its benchmark index, the MSCI Emerging Markets Index.

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LONDON Travel Diary

Graham O'Neill

Graham on Goldman Sachs roof garden with St Paul's Cathedral (right).

WHILST Spring weather in London has still been mixed, I was able to grab a photo opportunity after a meeting at Goldman Sachs in London on their roof garden (see photo). I had the opportunity to catch up on the Goldman view (see photo) on the prospects for India, which is seeing an improving macro environment unlike many economies in the world and is likely to record economic growth this year of close to 6%. Whilst inflation is at the upper end of its range it is only slightly above target, in contrast to western countries. The pullback in commodity prices, especially oil, which has occurred in recent months is a positive for the Indian economy and will further help the consumer. Goldman expect double digit earnings growth in India in 2023, something few markets are likely to match. Goldman believe the reform agenda in India has accelerated with cuts in the corporation tax rate, a unified nationwide goods and services tax improving supply chain efficiency and the passing of a new bankruptcy code has helped banks to clean up non-performing loans. Names such as HDFC Bank, Bajaj Finance which is exposed to auto lending, and Godrej Consumer Products are poised for multi-year growth making the fund an interesting option for investors looking for above average growth prospects and can tolerate the higher risks investing in a single country fund. This fund has a strong long-term record and is prepared to invest substantially away from the main market index, often holding over a third of its portfolio in small and mid-cap stocks where growth prospects should be better than the broader economy.

At Goldman Sachs with left to right Mithran Sudhir, Graham O'Neill and Akanksha Ganju.

I then had the opportunity to meet with Sujaya Desai who in London for the Stewart Investors Sustainability Conference and she is the manager of their Global Emerging Markets Sustainability Fund. This fund also has good exposure to stocks in India where exposure is just under 40% of the portfolio. The largest holding is in Housing Development Finance Corporation which is now merging with HDFC Bank which will allow it access to cheaper deposit funding and expand its reach in terms of mortgage penetration. Another favoured bank name is Kotak Mahindra and the country remains one where the banking sector and mortgage lending remains very under penetrated across the wider population and has significant growth potential over time. Tube Investments of India has transformed itself from a low value added metal basher to one producing precision steel products and is now able to compete on an international basis benefitting from India's relatively low cost base. The country continues to benefit from supportive demographics with a young population looking to upskill and move away from casual agricultural employment to manufacturing and services.

A relatively new holding is IT services provider Globant which is actually based out of Argentina and has performed well operationally despite the macro backdrop of that country being extremely volatile. Globant is similar to the Indian IT outsourcing companies but growing much quicker and is New York US listed but part of the emerging market index. Another recent purchase has been Infineon Technologies which is the largest chip maker for the automobile industry and has over 50% of its revenues coming from emerging markets including China.

The team have struggled to find many high quality ideas in South East Asia although do hold the 7/11 franchise in the Philippines which is a family controlled business and in Indonesia hold high quality bank BCA. Indonesia is the only country where bank directors are personally liable for the actions of the bank underlying the long-term stewardship argument for holding this company.

The team at Stewart Investors believe there are strong growth prospects for longer term investors in certain emerging market names and have a high focus on quality orientated businesses where managements are good long-term stewards of investor capital and who have successfully

managed their businesses through both up and down economic cycles.

The meeting was held at a conference centre close to Kings Cross located on the banks of the Regent Canal, once a main link for the transportation of goods within London which fully opened in 1820. The principal goods carried were coal and building materials which because of their heavy weight would be difficult to transport by horse on the prevailing road system.

Graham with Sujaya Desai from Stewart Investors with the backdrop of the Regent Canal.

Continuing the Asian theme on this trip I also met with London based Abbas Barkhordar who is a co-manager of the Schroder Asian Alpha Plus Fund along with Richard Sennitt. Both managers are highly experienced and have been with Schroder many years with Abbas having been at the firm for 15 years and Richard for 29 years. The investment process is fundamental and bottom up driven, although of course macro aware. The team utilise the Schroder on the ground analyst resource in Asia which is spread across the region.

Asian markets have not been immune to the huge style differences between growth and value since the start of the pandemic in 2020 when first of all growth outperformed significantly and since 2021 value has seen a huge rebound, although year to date performance drivers in Asia have been more nuanced with value still performing a bit better than growth. On a country level Korea and Taiwan have struggled, driven by weakness in the semiconductor

Graham with Abbas Barkhordar at Schroder.

industry as shortages have changed into oversupply for certain types of chips. Despite this the managers remain positive on the leading semiconductor stocks such as TSMC and Samsung, expecting a bottoming of the cycle in 2023 and focusing on the strong long-term drivers including AI. In India like many other managers private sector banks are a favoured area and there is also exposure to insurance businesses and exchanges within the Financials sector. Schroder believe that China remains challenged by demographics and an overhang from the property sector and within the Greater China region Hong Kong is favoured. The fund has now taken exposure to both Tencent and Alibaba after the pull back in their share prices and a more favourable government attitude to regulation of the internet names. The fund has some holdings in Australia where there are higher quality mining and mining services companies including BHP and Rio. The fund also has exposure to Vietnam through Dragon Capital.

Schroder believe valuations in Asia now look reasonable, although they acknowledge the short term headwinds from pull backs in analyst expectations for profits growth both this year and next although the long-term prospects for the stocks in the portfolio remain positive. The fund has been a very consistent performer within its sector and is an excellent choice as a core holding within Asian equities.

Graham O'Neill can be contacted at: 086 8122484.

broker spotlight

Up close and personal with **Jonathan McDonnell, Castle Capital Financial Planning**

WHAT differentiates your brokerage and services from others?

We have two very distinctive features. Firstly, our customer first approach. We were very quick to embrace the 5 C's framework that the Central Bank adopted a number of years ago. In line with that we put together quite a unique customer first ethos that we live and breathe by within the business. Also, in the last couple of years we have prioritised our culture over anything else. Firstly attracting the right staff to work within the business is difficult, but then when you find a great person, we wanted to make sure we had a business that the person could thrive in alongside a supportive team, have fun and not be afraid to pass cases to one another if someone else was stronger in a particular skill set. We have a defined priority pyramid for all staff and it is our utmost priority to ensure that everyone feels valued.

Top tip to someone who's interested in becoming a Broker?

Leave your ego at the door and slam that door shut. Honesty is everything. Never be afraid to admit to a client that you do not know something. There's fun for everyone in research and developing new skills. Clients can sense changes in behaviour and if you are not doing right by them, then you'll eventually keep hunting for new ones and that cyclical process will never end. Meet your clients regularly, research their objectives and make sure they feel like you are working for them.

How do you switch off in your spare time?

I have a 16 month old girl, Órla who does not yet know the meaning of 'switching off'. She's a bundle of energy and everyday is a learning day with her. My wife Kate and I like to take her for walks and drives or visit family. I also coach underage soccer with Shelbourne AFC in Limerick and on the rare occasion these days, I love to travel to watch Munster Rugby. Whether in Thomand Park or abroad, it's nice to make the effort. Munster has, and continues to give our community a lot over the years so I feel supporting them and being a member of the supporters club through good times and bad is important to their continuous success.

Moving forward, what direction do you see your brokerage developing over the next five years?

It's such an exciting time to be a Broker, it really is. With the incredible amount of legislative changes, product changes within the industry, there is such a great need for advisors in our country. I think we can sometimes underestimate what we do. We were updating some information on our website recently for a webinar we were hosting and we tried to put into words what we do. Occupations such as Therapists, Project Managers, and Business Coaches all came up as well as being financial educators and planners. Castle Capital will continue to grow that's for sure. During 2022/2023 we have worked on acquiring 2 brokerages clients and with this we are looking to add to our team to fulfil commitments we have to our existing and new clients. Onwards from there, those experiences have really stood to us so we are definitely still in the acquisition phase of our business plan. Within the next five years we would hope to have a new location announced and continue to promote our brand as a premium financial planning company.

What business leader / world leader / sportsperson do you most admire and why?

I was once at a conference and I was lucky to have listened and asked questions to Lisa Fallon. Lisa currently works with FIFA in their high performance development unit. For those of you who may ever get an opportunity to hear Lisa speak, grab it with both arms! She was a true inspiration. I couldn't write the words down quick enough when she spoke. Lisa shared her experience of coaching in difficult political environments and how she managed the players mentalities and gave some truly insightful words on teamwork and coaching elite performers. Castle Capital works with the Performance Nerds, in particular John McNamara. Each of our staff has the opportunity to meet with John to talk about motivation and career confidence. John is an incredibly insightful local coach that I love listening to and it's great that he is local to us.

CASTLE CAPITAL
Financial Planning

tech bites

Joe Mottley, Clarus Investment Solutions

Fund Risk Ratings – Confusion Reigns

IT is well over a decade since it became universal practice for Irish unit-linked funds to have a numerical risk rating attached. And it is almost as long since the first multi-asset suites aligned to specific volatility bands were launched. Yet we still see too much confusion and poor practice in this area. What's wrong, and what can be done about it?

Undoubtedly, some of the confusion can be laid at the door of incoherent regulatory codes. Most (but not all) life companies adopted the ESMA risk scale shortly after it became mandatory for UCITs funds in 2012, and it is undoubtedly the one which commands greatest recognition. But it was never mandatory for unit-linked funds, and this is an important point.

Then, in 2018, the PRIIPs regime came into force for non-pension unit-linked funds. Its prescribed method of volatility calculation is only slightly different to ESMA's, and in practice the results for any given fund tend to be very close. But its system of volatility bands for deriving fund risk ratings is radically different. So we must now live with a situation where a fund may show one risk number under ESMA (or the lifeco's proprietary scale in some instances), and a very different number may be displayed under PRIIPs in the Key Information Document (KID). A few samples below illustrate the point.

Fund	Main Risk Rating	PRIIPs Risk Rating
Standard Life European Smaller Companies	6	5
Irish Life Indexed Emerging Markets Equity	7	4
New Ireland Property	6	2
Zurich Life Dividend Growth	6	4
Aviva Irish Commercial Property	5	2

One possible solution could be to abandon ESMA – or whatever other proprietary scale was in use – and standardise on the PRIIPS scale. No lifeco has made this choice, and for good reason. The volatility bands of the PRIIPS scale are more aligned with the musings of EU lawmakers than with the needs of a typical Irish investor, as the following table illustrates. In practice, the vast bulk of funds purchased by the retail market fall into only two PRIIPS bands.

Band Number	PRIIPS Volatility Range	ESMA Volatility Range
	(VeV)	*(SRRI)*
1	< 0.5%	< 0.5%
2	0.5% - 5%	0.5% - 2%
3	5% - 12%	2% - 5%
4	12% - 20%	5% - 10%
5	20% - 30%	10% - 15%
6	30% - 80%	15% - 25%
7	> 80%	> 25%

But here are some areas we suggest where the combination of greater awareness on the part of financial brokers and some tweaks to practice on the part of life companies could bring greater clarity to the advice process.

1. What matters is expected volatility, not past volatility

The ESMA regime for UCITS funds is highly prescriptive on the calculation of the volatility metric which informs the risk banding. In most circumstances, it is to be derived from the past five years of weekly returns. If a temporary bout of market turbulence pushes that number through the ceiling of a band, then the higher band number must be shown.

But the Irish life companies who adopted ESMA did so voluntarily, and they are not bound by these rules. Some have rigidly followed the practice of adjusting bands in the wake of elevated market volatility, and duly notified policyholders. Others have not made any such adjustment. We examined seven risk-banded multi-asset unit-linked funds which advertise their target risk range to be the ESMA 3 band and have '3' in their titles. Driven by the turmoil in fixed income markets in 2022, six of the seven have 'ESMA' volatilities at the time of writing which exceed 5%. Three of those six (from among two providers) show the fund risk rating as '4', and the other three (all from one provider) show it as '3'.

Which is the better approach? Surely we advisors should be more interested in what the future risk level of a fund is likely to be, not what is has been for a short period in the past? If a fund is advertised as 'Band 3', and we believe the manager has the competence to position it within that over the longer term, then the most sensible representation of its risk level is '3'. It is of little consequence if a bout of bad market weather blows it temporarily off course, and changing the published rating only causes needless confusion.

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Hesus Inoma, Head of Strategy & Innovation, i13 Ventures

Will the Rise of AI Platforms Change the Game for Brokers?

OUR generation has had the privilege of bearing witness to some remarkable technological transformations throughout our lifetime which have had a fundamental impact on how we live, including how and what financial products we buy. To begin with, this Article will look upon a trio of platform shifts that have had such an impact, before delving into the broader question of whether AI should rightfully be deemed yet another transformative platform shift in our midst and a powerful tool for Brokers.

Let us first look to financial intermediation and whether the advent of computers, mobile phones, and cloud computing proved to be a resounding net positive for Brokers. When viewed through the prism of Economies of Scale and Scope, this question can be answered with a resounding yes. Computer adoption across multiple industries, including insurance resulted in a substantial increase in productivity and profitability. Moving on to the introduction of mobile phones, one cannot wonder what we did before mobile phones. Mobile phones have transformed communication, businesses and markets, and within the intermediation sector it is often the first stage in initiating the sale. Cloud computing has proved more challenging in its fast adoption than computers or mobiles. Nevertheless, cloud is now unlocking significant benefits for businesses, including Brokers, ranging from cost savings, reduction of risk, to scalability and flexibility of products and services.

Building on inspiration from these past platform shifts, let us now analyse Artificial Intelligence (AI), and Large Language Models (LLMs) in particular, and their potential as the next transformative platform shift.

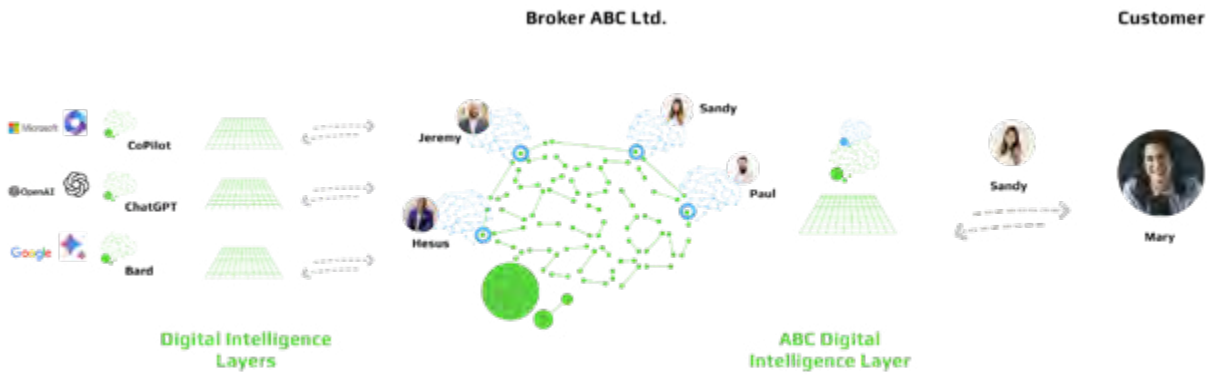
As we analyse AI as a platform shift, I would like to reflect on AI through the concept of first-design principles from a Brokers perspective. In the past, training an AI model entailed significant costs and required substantial amounts of data, posing a formidable obstacle to advancing innovative use cases within the intermediation sector. This paradigm has now been shifted with progressive LLMs such as ChatGPT by OpenAI, CoPilot by Microsoft and Bard by Google to name the most prominent ones, all of which make AI more accessible, easier to use and affordable to build and tailor AI solutions specific to your organisation's needs.

In simple terms, one could view these tools as a trained "Digital Brain". If presented with the opportunity to augment and empower our Employees and Business with higher levels of productivity, quality of output and intelligence - would it make sense to deprive the business of such opportunities? That is not to say that such use cases would not present heighted risks relating to security, data and operational resilience, but many of these risks can and will be managed into the future to within an organisation's appetite.

Continuing with the example above, one can now empower every Employee in a Brokerage with a Digital Brain which augments the tasks being performed be it sales, marketing, finance, claims - increasing productivity, quality of output and reducing repetitive, mundane tasks today with the current models, which would free up Employees for more value added activities in relation to policyholder relationship management, quality of advice and oversight of the models. The holistic value for the business lies in the compounding effect of each individual Digital Brain of each Employee, creating a cumulative Brain of the Business (Broker ABC Ltd.)

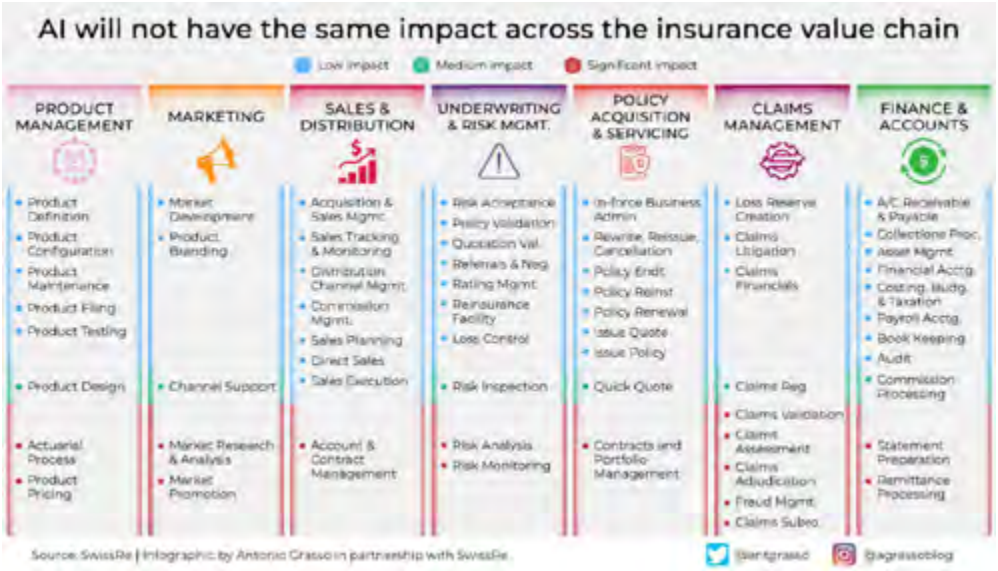
Another challenge and barrier to uptake in AI previously was the belief that by leveraging AI resources available businesses felt they were training other companies' algorithms with their data which posed several risks, security and confidentiality issues from a business and consumer perspective. With the recent breakthroughs, Brokers can now leverage existing LLMs, ChatGPT, Bard or CoPilot as a starting point, and personalise it with their own internal information to service their clients without compromising their data or intellectual property.

The following process certainly would lead to a fundamental platform shift for Brokers and the possibility to catch up on the perceived missed cloud opportunity by unlocking their data from current systems and creating bespoke personal Digital Brains for their businesses.



Here is an infographic developed by SwissRe which could be used as a starting point in guiding businesses to create a Digital Brain roadmap of initiatives to capture the opportunities or to defend against the threats on the horizon.

All platform shifts unravel like threads of hope and uncertainty which present both opportunities and risks. AI, like other platform shifts, poses it's risks but could we now picture ourselves intermediating insurance businesses without a computer, mobile phone or cloud services?



Tech Bites continued from page 47.

2. Care is needed with bespoke risk banding systems

Two providers in the market have risk-targeted multi-asset suites which are built around bespoke volatility bands. There is nothing wrong with that, and arguably the two banding systems in question present a better sub-division of investment risk options than does ESMA. But, many years on from when this divergence first came about, we still find instances where advisors and their clients are not attuned to it. Multi-Asset Fund 3 from Provider X might not be the same risk level as Multi-Asset Fund 3 from Provider Y! What's needed here is great care on the part of providers to ensure that all their communications make it clear if their volatility band numbers are not aligned with ESMA, and greater alertness to this on the part of financial brokers.

3. Linkage of risk questionnaire results to fund risk levels

Every life company website has a questionnaire designed to assess an investor's attitude to risk (ATR). Most are quite short – 12 is the average number of questions – and they produce a result which places the client's ATR into one of several bands. All but two of them have a seven-band structure. One wonders how such a granular grading of results can be supported by such a small number of questions.

The temptation for the Financial Broker to link the client's ATR band directly to the risk band of the fund to be recommended is great. And it is dangerous. The questionnaires may do a reasonable job in gauging the client's attitude to risk, but they simply cannot encompass the capacity to bear risk. That is a matter for the broker's professional judgement, based on their personal relationship and a detailed fact-find. We have all encountered the adrenaline-junkie client who needs to be talked back to a more prudent position, and the ultra-cautious investor who must be nudged up the risk spectrum if they are ever to achieve the long-term return they require.

The choice of risk level for the client has to be derived from a judicious blend of risk attitude, risk need, and risk-bearing capacity. There can be no short-cuts, and linking the questionnaire result directly to a fund risk band can easily lead to unsuitable recommendations.

There is a simple solution to this problem. Fund providers should reduce the number of categories for their questionnaire scores, and so remove the apparent but misleading invitation to map the questionnaire result directly to the fund risk category.

Maximising your sales performance...**well, it's about time!**

Dermot McConkey Development & Training Limited

IF you are a salesperson, you know your career is going to involve a lot of stress. There are always ups and downs and so you know it's important to be persistent and keep going, despite these stressful setbacks. Without a high level of confidence and perseverance, you will likely find your energy drained and your desire to keep going diminished. Committing to a plan for your daily activity is an absolute must, in order to perform at significantly high levels of sales performance. There is very little doubt that the ability to maximise your usage of time and what you accomplish daily is essential to your consistent sales performance. There is a difference between doing things right and doing the right things which is the difference between efficiency and effectiveness.

Time management skills help you reduce stress and prioritise your time. Really effective time management clarifies your goals and prioritises your most important tasks. As a result, you will have more time to achieve bigger and better results. When you manage your time, you can plan your day and increase your performance. As the saying goes: Show me your use of time and I'll show your health, your relationships and your career. You are what you continually do.

Let's take a look at some specific tips, ideas or strategies that, if applied correctly, could make a big difference to your sales performance:

- **Try starting your day an hour or 30 minutes earlier.** You'll be amazed how this will make you more focused and productive. Use it to exercise and reflect on the day ahead. This will give you more energy and improve your positivity.
- **Start each day by writing a "stop list".** Yes, a stop list! You must free up time to make time for your critical success factors. For example: you might say I'll turn off the phone until 11am stopping calls interrupting you. You might decide to not open your emails until after 11am. You might say to your receptionist or P.A. if you have one: I'm not here if anyone is looking for me until after lunch. Consciously freeing up time makes time for priorities.
- **Be aware, life is full of distractions.** It could be text messages, Facebook or other social media? There are so many things that can take your eye off the ball. So, close all irrelevant browser tabs on your laptop or desktop computer, put your phone away, out of sight ...and on silent. Whether you work in a public space or at home, find a quiet spot where you feel comfortable in and get focused on work.
- The best time management tip I ever got was to **be proactive in the morning and reactive in the afternoon.** That means making appointments, chasing pipeline cases, delivering presentations, asking for referred leads, following through on issues to close sales – all in the morning and then responding to calls, completing paperwork and administration duties in the afternoon.
- **Consider video conferencing** (Zoom or Team Meetings) as an option to contact prospects and clients. This is now a standard practice since Covid 19. You will be able to make more of them and save time and the expense of travelling in the process.
- **Handle all prospect or customer inquiries or requests immediately, efficiently and expeditiously.** Don't "put them off until later." Do it when their requests or questions are fresh on your mind.
- **Carry an easily accessible list of your current, top 10-15 prospects** and their contact details so that you can maximise bits of unused time to contact them.
- **Take time to relax and re-charge.** Consider this time as putting petrol in the engine.
- **Set aside time daily to prospect for new business,** promote your product or service and position you, your organisation and your solutions. Social media can help here in a big way. Put up short stories (on video if possible) of how people handled issues through you. Answer frequently asked questions about your product and service and how you are different. It works.
- **Build a group of customers who will serve as advocates for you and your offerings.** Ask them for a short video testimonial (can be easily done on a mobile phone) covering the challenge they had, the solution you offered and how they felt about the whole process at the end. This is the structure of a great testimonial.
- **Organise your day** so that you are able to group related activities together and be in a position to avoid flurries of unrelated, disjointed activities.
- I suggest you try my **4 Mula for success.** That is make 4 approach phone calls to new people each day, write 4 approach emails to different potential prospects each day and try and see 4 people per day. While these activities will overlap, it's a great process to follow. Its measurable activity and should be your minimum target.
- **Maximise your time** with some form of automated prospecting, tracking and contact management system. Invest some time daily into the ongoing improvement of your sales skills, product knowledge, personal growth and professional development. This is the best investment because its in you!

The essential components in managing time for maximum sales success is the ability to master three things:

- A commitment to do it (without distractions)
- Being prepared to pay the price (time, money, effort) and then...
- Doing it

If you can adapt these three concepts to your sales career and master even some of the tips I've highlighted, I can guarantee you'll be a lot more productive. Remember: **Your future is created by what you do today, not tomorrow.**

Oireachtas Digest

Frank Lahiffe, Lahiffe & Associates, Public Affairs & Political Communications

LOAN SALES

The aftermath of banks leaving Ireland and the concept of loans sold to other bodies is likely to generate even more significant commentary then it has based on the ways the new loan owners treat their customers. The good news side is that if a loan is transferred or sold, the holder of the legal title to the credit must be authorised by CBI and must comply with Irish financial services law that applies to "regulated financial service providers". This ensures that consumers whose loans are sold or transferred, maintain the same regulatory protections. However, some recent experiences have been outlined in Dail exchanges relating to mortgages being sold on to third-party entities, particularly in cases where a mortgage has never been in arrears and is fully serviced.

I am advised by CBI that the transfer of assets via a securitisation will typically need to fulfil a "true sale" analysis. This is a legal test developed by the courts to determine whether a transaction is properly characterised as a sale or secured loan. Where necessary, originators will need to consider with their legal advisors whether a relevant transaction satisfied the true-sale legal tests. As each securitisation can be structured differently and take different forms, the question of the conclusive ownership of assets after a true-sale securitisation must be assessed on a case-by-case basis – **Minister for Finance.**

I am dealing with businesses who have loans out and it is like the wild west at the moment. The vulture funds have come into town, have looked at portfolios that have value and want to appoint a receiver to close up shop. What is happening is completely chaotic. AIB sold the majority of these loans, moved them on for very small money and did its best to wash its hands of clients that were with the bank for generations. There is one vulture fund in particular about which I have the issue at the moment. We cannot deal or make contact with it here. It is working to a law unto itself and CBI needs to do appropriate work to ensure these funds are regulated appropriately. We are dealing with a scenario where when it comes to legal documentation, these funds will only provide limited information, which means that clients must go to the High Court to get documentation regarding the loans they have taken out. The clients will not get this documentation from the vulture funds themselves. These funds are refusing offers without any explanation as to why, nor are the clients being informed as to why this is so. The other issue is that in one case, the vulture fund agreed an offer and then moved on from that offer when the client came up with the money, and it would not agree to the figure when the money was made available – **Senator Tim Lombard (FG, Agricultural Panel).**

PL INSURANCE

There is no doubt that the customer cost of PL Insurance is not keeping any sort of a downward pace, given that some other insurance costs have gone down for customers. There has been an issue in that there are not enough players in the market offering PI insurance, but it seems to boil down to the duty-of-care legislation which may need to be addressed. That needs to be done sooner rather than later.

With regard to PL insurance, we have all heard Peter Boland of the Alliance for Insurance Reform, and others, speaking about a 14% increase in the cost of renewal premiums. This is before we consider those people who are caught up in circumstances of claims. People have insurance in the event that claims are brought against them. In some cases, people can find themselves in really desperate circumstances, so it is absolutely necessary. We know, however, that there is a particular issue in this regard. There are huge numbers of SMEs and businesses in the entertainment, tourism and leisure sectors that cannot get insurance and cannot get premiums that are fit to pay – **Ruairí Ó Murchú TD (SF, Louth).**

The current insurance reductions are very important, but the reason they have been achieved is because of the programme of reform that the Government instituted regarding insurance: changing the law on perjury and fraud, and changing the operating environment for personal injuries, particularly soft tissue and small injuries that were being overwhelmingly litigated in courts. Now we see that because of the changes, matters are being resolved at PIAB more quickly, more efficiently and at one twentieth of the legal costs. It is those legal costs, and the uncertainty of the claims system, that drove policies far too high – **Jennifer Carroll MacNeill TD, Minister of State, Department of Finance.**

PENSIONS

We have heard a lot about the soon to be introduced Auto Enrolment System for pension savings – but not so much about the 10-year phased transition to the Total Contributions Approach (TCA) and the abolition of the Yearly Average (YA) method. Both of these significant pension reforms are due to commence next year. Meanwhile, another key measure is the proposed introduction of a flexible pension system under which people will still be able to retire at 66 and draw-down their State Pension in exactly the same way as they can today; but there will be new flexibility so that people can choose to defer their State Pension, work longer and receive a higher State Pension payment.

The TCA is a fairer system and will calculate pension payments based on the number of social insurance contributions made by a person over his or her working life, with significant pension credits granted to people who have taken time out of the workplace for caring responsibilities. During a transition period, individual pension rates will be based on the best of the TCA, or a rate based on a mix of the YA and TCA, with the proportion accounted for by YA reducing from 90% to 0% over 10 years and the proportion accounted for by the TCA increasing commensurately – **Minister for Social Protection.**

I will bring forward the pension for long-term carers, which means the State enhanced pension provision for long-term carers, that is, in excess of 20 years, will be introduced from January 2024. That will benefit people, especially many women, who gave up their jobs and have been caring for a child with a disability, for example, all their lives and then found they were not entitled to a pension. That will allow them contributions for the time they spent caring – **Minister for Social Protection.**

LOAN INTEREST RATES

Existing tracker mortgage borrowers will see that their interest rate is increasing in line with ECB rates. For borrowers on fixed-rate mortgage contracts, their interest rate will not change over the period the interest rate is fixed. By its nature, the adjustment of the interest rate on a variable mortgage is more flexible. The data indicate that a significant proportion, 93% in February this year, of new mortgages in recent times are fixed-rate mortgages and this will protect borrowers in the event of a rise in official and market interest rates for at least the period that the interest rate is fixed.

>>> overleaf

The Irish average interest rate on new mortgages is now below the eurozone average and in February, Ireland had the third lowest mortgage rates in the eurozone for new mortgages. However, I acknowledge, of course, that interest rates are higher on outstanding mortgages. CBI data indicate that, at the end of last year, the average interest rate on mortgages held by banks was 2.93% and it was 3.26% for those held by non-banks – **Minister for Finance.**

Protection of mortgage borrowers, including those in arrears, is a key priority and CBI indicated it will continue to supervise compliance by all the regulated entities with the CCMA and the CPC. The code is not voluntary. It is mandatory, and there is no question of regulated entities not following it. Failure to do so can result in CBI using its range of powers to ensure adherence, including administrative sanctions and legal action. I encourage anyone who has information they wish to share with CBI about a regulated firm not complying, to submit that information to CBI as soon as possible –**Minister of State, Department of Finance (Jennifer Carroll MacNeill TD).**

Tracker interest rates have increased from 1.15% in June last year to 4.65% on average. Those with Tracker Mortgages are particularly feeling the brunt of these interest rate rises, and now face increases in repayments on a typical Tracker of up to €1,650 over a full year – **Dessie Ellis TD (SF, Dublin North-West).**

I am somewhat skeptical about the efficacy of mortgage interest relief as a public policy instrument in delivering help to the households that need it most. In the past, it has tended to favour the better off with the bigger mortgages. We know that in 2008, the relief cost €800 million for that year alone. We know, too, from independent research that it was the richest - those who live in the biggest and most expensive houses - who benefitted the most. It was a policy where, perversely, the lowest earners with no homes to call their own subsidised the better off through taxes – **Ged Nash TD (Labour, Louth).**

Notwithstanding the real challenges facing mortgage holders, there is a need for a debate on what is the most effective and fairest way to intervene. I understand the desire to intervene directly by assisting those hardest hit, but I am not convinced that this is the fairest or most effective way. My overarching difficulty with the principle of mortgage interest is that it is a measure targeted at the upper end of income distribution. People who manage to get a mortgage are, by and large, in a better situation than most of their peers. Indeed, they are in a better situation than a great number of young people who now can no longer aspire to the whole principle of home ownership – **Róisín Shortall TD (Soc Dems, Dublin North-West).**

Let us look at the banking institutions and the way they rate people for a mortgage. They put them on a high interest rate to check if they can afford a mortgage over 12 months. If a person has a dependent, the bank charges for the dependent. If a person has a car loan, there is a charge for the car loan. By the time it is all added up, a couple would nearly want to be on €1,000 each per week to afford a €300,000 mortgage and to make it barely payable for the banking system. Will the Minister tell me if there is any couple on €1,000 each to come up with a mortgage of €300,000? They have to show this, and they also have to show that they are able to save to get a mortgage – **Richard O'Donoghue TD (Independent, Limerick County).**

I do not believe the reintroduction of mortgage interest relief is the appropriate course of action or is in the best interest of all mortgage holders and the State, given the potential Exchequer implications and the current high inflationary environment. Research from the OECD has found that mortgage interest relief results in higher house prices where housing supply is constrained because it gives buyers much more purchasing power. The OECD also highlights equity concerns, noting that mortgage interest relief provides greater benefits to high-income households as high-income households are more likely to be homeowners, a point that aligns with the findings of the 2009 Commission on Taxation report – **Minister of State, Department of Enterprise, Trade and Employment (Neale Richmond TD).**

PENSION CHANGES

While many people are awaiting the introduction of AE pensions, there are other changes due to take effect from January next year which may have escaped attention. They followed from recommendations by the Pensions Commission and were announced by the Minister for Social Protection last September and in fairness, represent the biggest ever structural reform of the Irish State Pension system.

One of the key measures is the introduction of a flexible pension system under which people will still be able to retire at 66 and draw-down their pension in exactly the same way as they can today. In addition, there will be new flexibility so that people can choose to defer their pension, work longer and receive an actuarially based increase in the weekly payment rate. This is about providing people with choice. People will decide for themselves what best suits their needs and circumstances. For example, in the case of a person who reaches 66 and does not have sufficient contributions to qualify for a full pension, they will now have the option to work for up to 4 years longer to build up additional entitlements. If a person has less than 10 years PRSI reckonable paid contributions, they may be able to use this period to establish entitlement – **Minister for Social Protection.**

SAFE DEPOSIT LEGISLATION

A Private Members Bill has been introduced in the Dail by Éamon Ó Cuív TD regarding what to do about old safe deposit boxes which have been securely held in banks for hundreds of years in some cases. It is a long-standing issue, which I personally recall talking to Deputy Ó Cuív about it in 2009 and it has been described by members of the Dail as very interesting legislation and certainly one of the most interesting things to have ongoing.

The first bank, Bank of Ireland, was established by Act of Parliament in 1782. AIB, in its original form, dates back to the founding of the Provincial Bank in 1825. I understand that both have had safekeeping facilities for their clients from the outset, and today both institutions and other banks retain all the property that has been abandoned over the years. It is important to stress repeatedly the property is not the banks' property. They are only safekeepers of the property. The property rightfully belongs to the people who put it there. Obviously, there is nobody alive now who put it there in 1784. The vast majority of this property was deposited in a sealed state. In other words, people came in with trunks, envelopes, chests, safes and every kind of thing. Some people have a vision of neat rows of boxes with keys in them but in many cases, they brought in, as I said, a sealed receptacle that these deposits are in and, as a result, the contents are unknown – **Éamon Ó Cuív TD (FF, Galway West).**

I recognise this is an issue that has been raised over a number of years and which has not yet been addressed. Going forward, further consideration and consultation is needed around how the key objective of the proposed Bill can best be achieved, as regards fully understanding and addressing any possible legal issues and minimizing costs to achieve the objectives in as effective a way as possible. It will be a windy road to find a path through this but the treasure at the end of it will be worth the wait and effort – **Minister of State, Department of Rural and Community Development (Joe O'Brien TD).**