



26<sup>th</sup> March 2020

## KBC Bank Ireland Mortgage Broker Commission Arrangements

Dear Broker,

KBC would like to remind you of the Consumer Protection Code addendum which comes into effect **on the 31<sup>st</sup> of March 2020**. The following Commission Summary Table can be used to display your current arrangement with KBCI. In addition we have included a summary of the new rules that will need to be adhered to.

### **KBC Broker Commission and Commission Clawbacks - effective as at 31st March 2020**

Segment	KBC Commission	KBC Commission Clawback
First Time Buyer	1%	Clawback is monthly pro-rata over 36 months *
Second and Subsequent Buyer	1%	Clawback is monthly pro-rata over 36 months *
Switcher	1%	Clawback is monthly pro-rata over 36 months *
Switcher with Equity Release	1%	Clawback is monthly pro-rata over 36 months *
Residential Investment Property	1%	Clawback is monthly pro-rata over 36 months *

\* For Example: Mortgage redeemed 15 months post drawdown, clawback will be 21/36 months commission etc

#### Summary of Rules:

1. ("we", "us") acts as an intermediary in relation to the provision of various financial products. The Consumer Protection Code requires that, as an intermediary, we make available, both in our public offices and on our website, a Commission Summary Document, providing information in relation to any fee, commission, other reward or remuneration received from product producers in relation to our role as an intermediary.
2. A summary of the details of all commission arrangements that an intermediary has agreed with product producers must be made available to consumers.
3. Intermediaries will no longer be permitted to describe themselves and their regulated activities as 'independent' where they accept and retain commission where advice is provided.
4. Commission linked to targets that do not consider a consumer's best interests will be deemed a conflict of interest.
5. Under the new rules, hospitality such as golf trips and sporting event tickets will not be allowed.

In the event you have any queries please contact the Broker Team on 01-6646111 or your Business Relationship Manager.

Kind Regards,

**Willie Clancy**  
Head of Broker & Intermediary Sales