Zurich Intermediary Platform
Adviser charging options – at a glance

We understand it’s important we give you and your clients the ability to choose the way they pay for your services. The Zurich Intermediary Platform can facilitate a range of remuneration options.

Consistency across accounts

Remuneration options are consistent across the accounts available, with the exception of:

- The Cash Account, where only one-off adviser remuneration can be facilitated based on the total value of assets in your client’s Zurich Portfolio or as a pound amount

- An Investment Account which is held in the name of Zurich Life Assurance plc to hold Zurich International Portfolio Bond (the plan) assets, where adviser remuneration is unavailable.

Adviser charging options

Initial adviser remuneration (single)
Initial adviser remuneration can be facilitated on single payments and cash transfers into an account. When more than one single payment is added to an account at the same time, the same rate of remuneration will be facilitated. A different rate can be facilitated for cash transfers added to an account at the same time as a single payment. Initial remuneration cannot be facilitated on re-registrations.

Regular initial adviser remuneration
Regular initial adviser remuneration can be facilitated when a regular payment is added to an account. It can be requested as either an amount or a percentage of the total regular payments going into an account. Your client can agree deductions for regular initial adviser remuneration from their account; monthly, quarterly, half-yearly or yearly but the deduction cannot be more frequent than the most frequent regular payment.

One-off adviser remuneration

There are two options for one-off adviser remuneration. This can be facilitated from any of your client’s accounts (including the Cash Account) as an amount or as a percentage of the value of assets held within that account. Alternatively, it can be facilitated from your client’s Cash Account as a percentage of the total value of assets held within your client’s Zurich Portfolio.

Ongoing adviser remuneration

Ongoing adviser remuneration can be facilitated when an ongoing service is being provided to your client. It can vary by account and can be either an amount or a percentage of the value of assets and cash held within your client’s account.

Your client can agree deductions for ongoing remuneration from their account; monthly, quarterly, half-yearly or yearly, but the frequency must be the same for each of the accounts in their Zurich Portfolio. Agreed remuneration will be deducted from the cash element of your client’s account to which the remuneration applies.

ISA remuneration from an Investment Account

Your client can choose to have all initial adviser remuneration, regular initial adviser remuneration and ongoing adviser remuneration for a Cash ISA or Stocks and Shares ISA deducted from their Investment Account. If this option is selected the Zurich Portfolio charge for the Stocks and Shares ISA will also be deducted from the Investment Account.

Remuneration facilitated from the Retirement Account must relate to advice or services provided in respect of that account.
**Investment adviser charges**

Where a customer is invested in a model portfolio managed by an investment adviser, an ongoing charge will be applied by the investment adviser for their services. The frequency of the deduction from the customer’s account, and the amount of the charge, may vary between different investment advisers.

Advisers are responsible for informing their clients about the relevant charge on any model portfolio managed by an investment adviser.

Charges will be deducted from uninvested cash held within a model portfolio managed by an investment adviser. Investment adviser charges will be percentage based charges levied on assets held within the relevant model portfolio. This charge will be disclosed to the customer when they invest in a model portfolio managed by an investment adviser.

Where a model portfolio managed by an investment adviser is held within a Stocks and Shares ISA, the charges can be deducted from the investment adviser for maximum tax efficiency.

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**Parameters**

As part of an adviser firm set-up, a default and a maximum remuneration percentage can be set for all of the adviser remuneration options. The exception to this is one-off remuneration where your firm can select whether to allow it, and the maximum pounds sterling amount that can be requested each year from each client Zurich Portfolio.

**Client authorisation and disclosure**

Remuneration payments must be clearly disclosed to your client.

Your clients will need to give Zurich their written authorisation before we will make a deduction for any adviser remuneration (in the case of regular initial or ongoing adviser remuneration the first deduction only) from their account or Cash Account. This also applies to a change of basis of (i.e. pounds amount to percentage or percentage to pounds amount) or an increase to an existing adviser remuneration charge. We will only accept a correctly completed adviser remuneration declaration that is produced with an applicable Charges information document to give this authority, or a client authorisation on a form agreed by us.

For investment adviser charges Zurich do not seek agreement from your client prior to the deduction. A Charges information document is produced and issued initially and then each time a change is made.

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**Payment of adviser remuneration and investment adviser charges**

Adviser remuneration will be paid to the latest bank account details provided and validated on the Platform at your agreed frequency. Remuneration can be paid to an adviser firm weekly, every two weeks, monthly or quarterly.

It’s your responsibility to ensure that there is sufficient cash in your client’s applicable account or Cash Account, to make a deduction for agreed remuneration. It is an investment adviser’s responsibility to ensure that there is sufficient uninvested cash for their charges to be taken.

If there is insufficient cash to make a deduction for ongoing remuneration the disinvestment strategy will be invoked.

Payments will be made in pounds sterling by electronic transfer. Any Value Added Tax (VAT) liability is the adviser or investment adviser’s responsibility.
**Disinvestment strategy**

Where there is insufficient cash in your client’s account to make a deduction in respect of agreed ongoing remuneration for an adviser, we will immediately sell mutual fund holdings in these account(s) equivalent to the value required, subject to a minimum disinvestment of £50. Where the outstanding remuneration and any other charges is greater than £40, we will sell assets equivalent to the outstanding charge plus £10. This applies to each account and where applicable, to any separate arrangements within an account. For example, where there is an investment adviser appointed.

Where there is insufficient cash in a model portfolio managed by an investment adviser to cover their charges we will invoke the investment adviser’s disinvestment strategy on the assets held within that model portfolio.

When your client’s Zurich Portfolio is set-up, a disinvestment strategy must be set. There are three options:

- Least volatile fund first.
- Most recently purchased fund first.
- Proportionately.

The disinvestment strategy for model portfolios managed by investment advisers will always be to sell the least volatile fund first.

As part of a disinvestment strategy, we will not automatically sell:

- Exchange-traded assets bought through our nominated stockbroker.
- Assets that have been specifically excluded from the disinvestment strategy. For example, those that have been marked as treasured.
- Assets that are held within a model portfolio, except for an investment adviser’s disinvestment strategy which will only apply to their model portfolio.

We may also choose to exclude mutual funds where we believe this is appropriate. For example, where they are not priced on a daily basis.

If your client does not have sufficient mutual fund holdings to cover an amount due we will contact you, to determine the action needed. If we do not receive a response we may sell other available assets to cover the amount due. Where we do so, we will sell assets from the asset holding with the highest value on the date we issue the instruction. This may include treasured assets or exchange-traded assets.

See ‘Easy to understand charges – at a glance’ for an explanation of how the disinvestment strategy applies if there is insufficient cash to cover a charge.

**Clawback**

Zurich will not generally clawback adviser remuneration payments that we have deducted following receipt of your client’s written authority to make the deduction. See the Adviser Terms of Business for details of when we will clawback.

**Statements**

Remuneration paid to you will be detailed in a statement which will be held on the Platform under the Information tab, or made available electronically on request.

For more information on the Zurich Intermediary Platform, please contact your Zurich consultant on 0500 546 546

We may record or monitor calls to improve our service.