

ANNEX 7

PRINCIPLES OF REVISED FEE STRUCTURE FOR INSURANCELINK USERS

Introduction

1. As part of the Commitments, Insurance Ireland will put in place a revised fee structure for the use of InsuranceLink, which ensures that fees are applied on a fair, objective, transparent and non-discriminatory basis to all InsuranceLink Users and in a manner that reinforces the changes to the procedure and terms of access to InsuranceLink outlined in the Commitments.
2. Insurance Ireland will introduce a usage-based fee model, which ensures that a proportionate and equitable fee will be charged to InsuranceLink Users, with the most significant users paying more, and new entrants or users that perform fewer searches paying less. By adopting a usage-based fee model, it is intended that fees charged will not be prohibitive to current or prospective InsuranceLink Users.
3. Insurance Ireland has worked with Deloitte Ireland LLP in formulating this revised fee structure. Deloitte has assessed a number of charging models and considered similar structures in Ireland and Europe. The proposed fee structure for InsuranceLink is consistent with industry standards and fundamental accounting principles, in particular activity-based costing.
4. The fee structure outlined in these principles is subject to agreement with the administrator of InsuranceLink.

Principles

5. The fees for use of InsuranceLink will be applied to all InsuranceLink Users on fair, objective, transparent and non-discriminatory terms.
6. In particular, there will be no distinction in the fees charged to InsuranceLink Users on the basis of any of the following:
 - (a) The type of entity the InsuranceLink user is (e.g. Insurer or intermediary);
 - (b) The Insurance Ireland membership status of the InsuranceLink User;
 - (c) The basis on which the InsuranceLink User accesses InsuranceLink (i.e. on its own account or under a delegated authority); or
 - (d) The home jurisdiction of the InsuranceLink User (including whether the InsuranceLink User is operating on the basis of freedom of services, freedom of establishment or otherwise).
7. The aggregate fees charged to InsuranceLink Users will reflect the actual costs incurred in the operation of InsuranceLink.
8. Subject to point (12) below, the fees charged to individual InsuranceLink Users will be determined on the basis of that User's actual usage of the system over a given reference period.
9. An InsuranceLink User's usage will be determined on the basis of objective and verifiable metrics, i.e. the number of searches conducted by the InsuranceLink User in a given reference period, expressed as a proportion of overall searches undertaken in that reference period.
10. An InsuranceLink User's usage in a given reference period will be determined by reference to usage statistics provided by the administrator of InsuranceLink. In order to ensure further

independent oversight of this process, such usage statistics may be reviewed by the InsuranceLink Oversight Committee at any time.

11. InsuranceLink Users will be invoiced on a periodic basis (e.g. quarterly) in arrears on the basis of actual usage in the preceding reference period.
12. In order to cover the costs of setting up a new InsuranceLink User with access to InsuranceLink, a non-recurring, one-time onboarding fee will be charged to all new InsuranceLink Users. This onboarding fee will be determined based on the actual costs incurred by the administrator of InsuranceLink in setting up the InsuranceLink User. In order to ensure the transparency of the onboarding fee, the InsuranceLink User may request a breakdown of the costs incurred.
13. The proposed level of fees charged to InsuranceLink Users shall be reviewed on an annual basis by the InsuranceLink Oversight Committee.
14. In addition, the InsuranceLink Oversight Committee shall be empowered to hear appeals from InsuranceLink Users in relation to a failure to calculate the fees charged to an InsuranceLink User for access to InsuranceLink in accordance with the fee structure in place for InsuranceLink.