

**AGREEMENT BETWEEN AVIVA INSURANCE IRELAND DAC
AND THE COMPETITION AND CONSUMER PROTECTION COMMISSION**

This Agreement and Undertakings is made by and between the Competition and Consumer Protection Commission (the "Commission") and Aviva Insurance Ireland DAC ("Aviva") on the later of the dates set forth below.

WHEREAS:

- A. The Commission is a statutory body and one of its functions pursuant to the Competition and Consumer Protection Act 2014 is to enforce the Competition Act 2002, as amended (the "Act") and Articles 101 and 102 of the Treaty on the Functioning of the European Union ("TFEU"). Section 4 of the Act and Article 101 TFEU prohibit anti-competitive arrangements between undertakings, while section 5 of the Act and Article 102 TFEU prohibit the abuse of a dominant position by one or more undertakings.
- B. The Commission's role is to investigate suspected breaches of provisions of the Act and/or Article 101 or 102 TFEU and to take appropriate enforcement action to deter such breaches and encourage on-going compliance with the provisions of the Act and/or Articles 101 and 102 TFEU.
- C. On 31 August 2016, the Commission commenced an investigation into suspected anti-competitive practices in the provision of private motor insurance ("PMI") in the State (the "Investigation") contrary to section 4(1) of the Act and Article 101(1) of the TFEU. Following its Investigation, the Commission made preliminary findings in respect of various parties, including Aviva and communicated them to Aviva.
- D. Aviva responded in full written detail to those preliminary findings explaining why neither Aviva nor its employees were in breach of any of those provisions. There is no admission of infringement or liability.
- E. The Commission and Aviva have engaged in constructive discussions with a view to closing this long-running matter by way of this Agreement and Undertakings with no finding of infringement by Aviva.
- F. The Commission has informed Aviva that this Agreement and Undertakings resolves the Commission's competition concerns arising from the Investigation and this Agreement and Undertakings close the matter in its entirety.

AVIVA AND THE COMMISSION HEREBY AGREE AS FOLLOWS:

Definitions

1. In this Agreement and Undertakings, the following terms shall have the following meanings:

"Act" means the Competition Act 2002 (as amended);

"Aviva" means Aviva Insurance Ireland DAC, a company incorporated under the laws of Ireland (registration no. 605769), which has its registered office at One Park Place, Hatch Street, Dublin 2, its successors and assigns;

"Commencement Date" means the later of the dates set forth below;

"Commission" means the Competition and Consumer Protection Commission and its successors;

"Compliance Officer" means such director or Head of Compliance of Aviva appointed by Aviva from time to time to act as the Compliance Officer in accordance with Clause 7 of this Agreement and Undertakings;

"Investigation" means the investigation commenced by the Commission on 31 August 2016 into suspected anti-competitive practices in the provision of PMI in the State;

"Parties" means the Commission and Aviva;

"PMI" means private motor insurance;

"State" means the Republic of Ireland;

"Term" means a period of seven (7) years beginning on the Commencement Date.

Aviva's undertaking

2. In consideration of the Commission's undertaking provided for in Clause 3, Aviva hereby undertakes;
- (a) to implement and maintain an appropriate competition law compliance programme (the "Compliance Programme") which shall:
- (i) be specifically tailored to the business activities and the competition law risks of Aviva in the PMI sector and outline the legal consequences that may arise for breaching the applicable competition legislation;
 - (ii) include providing annual competition law training, including on pricing practices and communications that are, and are not, permitted under the applicable competition legislation, to all executive directors and those employees who are directly involved in setting prices and/or making and approving external communications on pricing matters (the "Training"), such training to include the risks and consequences of breaching competition law in respect of, at least (but not limited to), the following:
 - (A) public announcements relating to future pricing (including, in particular, public announcements made during media interviews);
 - (B) public announcements regarding future pricing changes in PMI premiums in relation to premium prices, margins on premium prices, percentage

increases or decreases in prices, expected increases or decreases in margins earned, expected rebates to be granted on premiums or rebates on the premiums paid;

- (C) communications regarding premium prices, margins on premium prices, percentage increases or decreases in premium prices, expected increases or decreases in margins earned, expected rebates to be granted on premiums or rebates on the premiums paid; and
 - (D) communications containing references to the future premium pricing of other insurers providing PMI in the State;
- (iii) be reviewed at least annually by the Compliance Officer, who will be responsible for effectively implementing updates to the Compliance Programme as and when necessary taking into account developments in competition law;
 - (iv) include incorporation of the Training into the induction and training programmes of executive directors and those employees listed at Clause 2(a)(ii) above;
 - (v) require all those executive directors and employees listed at Clause 2(a)(ii) above to participate in the Training under the Compliance Programme;
 - (vi) provide an internal monitoring mechanism to detect, identify and report suspected breaches of the Compliance Programme to the Compliance Officer;
 - (vii) provide a mechanism and protection for employees reporting suspected breaches of the Compliance Programme (whistle blower protection);
 - (viii) provide a mechanism through which the Compliance Officer reports, as appropriate, any suspected or confirmed non-trivial breaches of the Compliance Programme to the Board of Aviva as expeditiously as possible after the Compliance Officer is notified or becomes aware of such suspected or confirmed breaches; and
 - (ix) ensure those employees listed at Clause 2(a)(ii) sign (whether by way of a digital confirmation or ink signature) declarations on an annual basis stating that they have read and fully understand the Training and when they have last received the Training under the Compliance Programme; and
- (b) to ensure that the Compliance Programme, including the implementation of the Compliance Programme, is audited annually by an independent external competition law expert (the "External Expert"), by reference to this Agreement and Undertakings, for the duration of the Term, and who will provide a full report to the Compliance Officer detailing any confirmed or suspected breaches of the Compliance Programme and list any recommendations for amendments and updates to the Compliance Programme that have been identified through the audit process; and
 - (c) to submit annually to the Commission, within one month after the anniversary of the Commencement Date for the duration of the Term, a written certificate in the form set out in Schedule A to this Agreement and Undertakings (the "Compliance Certificate") signed by a Director of Aviva.

Commission's undertaking

3. In consideration of Aviva entering into this Agreement and Undertakings, the Commission undertakes that it shall close its Investigation, shall refrain from instituting any proceedings against Aviva (including its employees) in respect of any matter to which the Investigation related or relates for so long as Aviva remains in compliance with the Agreement and Undertakings.

Compliance

4. As provided in clause 2(b) Aviva shall submit a Compliance Certificate to the Commission under the terms set out in clause 2(b).
5. Acting reasonably, the Commission reserves the right to require Aviva to provide to the Commission, at any time, such additional information as is reasonably necessary for the Commission to verify Aviva's compliance with its obligations as set out in this Agreement and Undertakings. Aviva shall promptly provide to the Commission all such information in its possession or control.
6. The Commission may, acting reasonably, provide such written reasonable directions to Aviva from time to time as are objectively needed to require compliance with this Agreement and Undertakings. Aviva shall promptly comply with any written direction issued by the Commission pursuant to this Agreement and Undertakings where it is in a position to do so.
7. Aviva shall nominate, from time to time during the Term, a Compliance Officer who will have responsibility for monitoring compliance by Aviva with this Agreement and Undertakings, for responding to any request(s) for information and for complying with any written direction(s) received from the Commission in connection with this Agreement and Undertakings. Aviva shall provide the name and contact details of such Compliance Officer to the Commission within one (1) month of the Commencement Date or the nomination of a replacement.
8. All communications from the Commission to any person in Aviva shall be copied in full to the following persons: Head of Compliance of Aviva in Ireland and the General Counsel of Aviva in Ireland.

Review clause

9. The Commission may, at the latest after five (5) years from the Commencement Date, review to what extent the undertakings provided for in Clause 2 of this Agreement and Undertakings remain warranted to address the competition concerns identified by the Commission in the Investigation.

Final provisions

10. This Agreement and Undertakings shall be and is intended by the Parties to be a binding and enforceable agreement which may be enforced by the Parties by an action in any court of competent jurisdiction in the State.
11. This Agreement and Undertakings shall be binding on Aviva and on the successors and assigns of Aviva.

12. This Agreement & Undertakings does not prevent the Aviva Group from complying with the laws, regulations or codes operating in any jurisdiction that are in conflict with this Agreement and Undertakings.
13. This Agreement and Undertakings shall take effect upon its execution by both Parties and shall remain in force for the duration of the Term.

SIGNED for and on behalf of the Commission by:

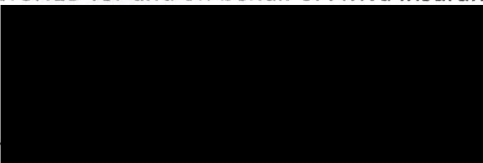


Name: ISOLDE GOGGIN

Title: CHAIRPERSON

Date: 3rd AUGUST 2021.

SIGNED for and on behalf of Aviva Insurance Ireland DAC by:



Name: DECLAN O'ROURKE

Title: CEO.

Date: 28 July 2021.

**SCHEDULE A
TO THE AGREEMENT AND UNDERTAKINGS**

[On Aviva Headed Paper]

[date]

Mr Ibrahim Bah
Director
Competition Enforcement and Mergers Division
Competition and Consumer Protection Commission
Bloom House
Railway Street
Dublin 1

Re: Investigation into suspected anti-competitive practices in the provision of private motor insurance in the State

Dear Mr Bah,

I refer to the Agreement and Undertakings entered into by the Competition and Consumer Protection Commission (the "Commission") and Aviva Insurance Ireland DAC ("Aviva") on [•] 2021 (the "Agreement and Undertakings"). The definitions of terms contained in the Agreement and Undertakings shall also apply to the terms used herein, unless otherwise stated.

In accordance with Clause [•] of the Agreement and Undertakings, I hereby confirm compliance by Aviva with the terms of the Agreement and Undertakings during the period commencing on [the Commencement Date]/[date of the previous certificate issued by [•]] and ending on the date hereof.

Yours sincerely,

[Name]

[Director of Aviva Insurance Ireland DAC]