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## 1. Remuneration Factors

Broker's remuneration is composed of the following elements:

### 1.1 Sales Commissions on Life Insurance Contracts

A first-year annualized commission is payable in respect of all new business accepted by Standard Life in respect of products described in clause 4. The commission rate will vary according to products sold, as described in clause 4, under the heading "First-Year Commissions".

For Perspecta, the Annualized First Year Commission will be based on the Selected Premium. At the end of the first policy year or at such earlier date as the coverage lapses or is surrendered, the total of the premiums actually received will be compared to the Selected Premium. If the total premiums actually received are lower, Standard Life will recover from the Broker the portion of the Annualized First Year Commission corresponding to the premium shortfall.

In the event that a coverage for business covered under clause 4 lapses, is cancelled, or is surrendered during the first two years after issue for any reason whatsoever, except the death of the life insured, Standard Life will recover from the Broker a fraction of the first year annualized commission paid after application of any Premium Shortfall Recovery. The fraction will be 24 minus the number of months the coverage has been in force divided by 24.

### 1.2 Vested Renewal Service Fees on Life Insurance Contracts

A vested renewal service fee, as described in clause 4, is payable in respect of life products written by the Broker for servicing purposes.

In the event that a policy for business covered under clauses 4.2 and 4.3 is cancelled or surrendered for any reason whatsoever, except the death of the life insured, Standard Life will recover from the Broker a fraction of the last Renewal Service Fees paid, should the cancellation or surrender occur before the next renewal premium is due. The fraction will be the number of days following the date of the cancellation or the surrender to the next renewal premium due date, divided by the number of days of the premium frequency.

### 1.3 Production Credits

The production credit is calculated monthly as the sum of the following over the preceeding 12 months:

- 100% of Net annualized first year commission on Life Insurance Contracts.
- 100% of Sales Commissions on Annuity Contracts.
- 20% of Sales Commissions on Group Contracts.

No Production Credit is calculated for Sales Commission on Mutual Funds Contracts.

### 1.4 Sales Bonus on Life Insurance Contracts

A sales bonus is payable in respect of net annualized first-year commissions on life insurance business. The Bonus Rate is established according to a scale based on the amount of Production Credits paid in the past 12 months.

Production credits last 12 months	Bonus rate as of % of NAFYC
Less than 11,500	0%
11,500 – 18,999	30%
19,000 – 26,999	50%
27,000 – 34,999	70%
35,000 – 44,999	100%
45,000 – 59,999	120%
60,000 and more	130%

### 1.5 Sales Commissions on Annuity Contracts

A Sales commission is payable on all annuity contracts, as described under clause 3.

### 1.6 Sales Commissions on Group Contracts

A sales commission is payable in respect of all group business accepted by Standard Life. The commission rate will vary according to the product sold as described in clause 5.

## 2. Definitions

The following definitions will apply in this schedule unless otherwise specified:

- 2.1 Standard Life:** The Standard Life Assurance Company of Canada.
- 2.2 Annualized First-Year Commissions (Life Contracts):** Commissions calculated as a percentage of the annualized first-year premium. For Perspecta, the first-year commission payable in respect of deposit as received, in excess of Selected Premium, is considered to be annualized first-year commission.
- 2.3 Annualized First-Year Premium (Life Contracts):** Modal premium multiplied by the frequency of payment. For purposes of this calculation, “premium” shall include any permanent extra premium for medical reasons and any extra premium if charged through an age rating. It excludes any temporary extra premium charged for medical reasons or any extra premium charged for any other reason whatsoever including, without limitation, an occupational, residential, life style or avocational rating. For Perspecta, the Selected Premium is used as annualized first-year premium.
- 2.4 Net Annualized First-Year Commission (NAFYC):** Annualized first-year commission payable in respect of the sale of life coverage adjusted for any Pro-Rata recovery and also adjusted, in the case of Perspecta coverages, for any Premium Shortfall Recovery .
- 2.5 Pro-Rata Recovery:** In the event that a life insurance coverage lapses, is cancelled or is surrendered during the first two years after issue for any reason whatsoever, except the death of the life insured, Standard Life will recover from the Broker a fraction of the first year annualized commission paid after application of any Premium Shortfall Recovery. The fraction will be 24 minus the number of months the coverage has been in force divided by 24.
- 2.6 Premium Shortfall Recovery:** For Perspecta, Standard Life will recalculate the First Year Commission (FYC) at the end of the first policy year using the sum of the premiums received in replacement of the Selected Premium. If this amount is less than the actual FYC paid, Standard Life will recover the difference from the Broker. In addition, Standard Life will calculate the annual average of premiums received during the first two policy years and will apply a FYC recovery if one of the following situations apply:
1. The sum of premiums received during the first policy year is less than the Commissionable Target Premium, including the target premium for riders, and the annual average of premiums received during the first two policy years is less than the sum of premiums received during the first policy year; or
  2. The sum of premiums received during the first policy year is equal to or greater than the Commissionable Target Premium, including the target premium for riders, and the annual average of premiums received during the first two policy years is less than the Commissionable Target Premium.
- The commission recovery will be calculated on the difference between the average of premiums required to avoid a recovery, and the average of premiums received during the first two policy years, multiplied by the commission rate payable on the Commissionable Target Premium. Standard Life will recover any amount due from the Broker.
- In the event that a Perspecta coverage lapses or is surrendered before the end of the first policy year, for any reason whatsoever, except the death of the life insured, Standard Life will recalculate the FYC using the sum of the premiums received in replacement of the Selected Premium. If this amount is less than the actual FYC paid, Standard Life will recover the difference from the Broker.
- 2.7 Selected Premium:** Amount the client chooses to pay at issue on a regular basis.
- 2.8 Annuity Contracts:** These include annuity products offered by both The Standard Life Assurance Company of Canada and Standard Life Assurance Limited, but specifically exclude any mutual fund products.
- 2.9 Vested Renewal Service Fee:** Fee for servicing life business calculated as a percentage of the renewal premium.
- 2.10 Renewal Premium:** Premium paid in the second or subsequent policy year, calculated on the modal premium. For purposes of this calculation, “premium” shall include any permanent extra premium for medical reasons and any extra premium if charged through an age rating. It excludes any temporary extra premium charged for medical reasons or any extra premium charged for any other reason whatsoever including, without limitation, an occupational, residential, life style or avocational rating.
- 2.11 Production Credit:** A credit derived from net annualized first-year commissions payable from Life and from Sales Commission for Annuity and Group Contracts, which is used as the basis to establish the Bonus Rate to pay the sales bonus.

### 3. Commissions on Annuity Contracts

Subject to the Special Conditions, the Broker will be allowed as commission the following percentages of premiums paid to Standard Life.

3.1 Payout Annuities				
<b>3.1.1 Life Annuities* (including Performance Annuities):</b>	3%	of the first \$100,000 of purchase price.		
	1.5%	on excess over \$100,000.		
<b>3.1.2 Impaired Life Annuities* (including Performance Annuities):</b>	3%	of the first \$250,000 of purchase price.		
	1.5%	on excess over \$250,000.		
<b>3.1.3 Term Certain Annuities* (including Performance Annuities):</b>	<b>Term** of the annuity</b>	<b>First \$100,000</b>	<b>Next \$100,000</b>	<b>On excess over \$200,000</b>
	1 year	0.40%	0.27%	0.20%
	2 years	0.80%	0.53%	0.40%
	3 years	1.20%	0.80%	0.60%
	4 years	1.60%	1.07%	0.80%
	5 years	2.00%	1.33%	1.00%
	6 years	2.10%	1.40%	1.05%
	7 years	2.20%	1.47%	1.10%
	8 years	2.30%	1.53%	1.15%
	9 years	2.40%	1.60%	1.20%
	10 years	2.50%	1.67%	1.25%
	11 years	2.60%	1.73%	1.30%
	12 years	2.70%	1.80%	1.35%
	13 years	2.80%	1.87%	1.40%
	14 years	2.90%	1.93%	1.45%
	15 + years	3.00%	2.00%	1.50%
	** The term is the period between the premium payment date and the date the last annuity payment is made. For a fractional term, the commission rate is determined by linear interpolation.			
<b>3.1.4 Performance Annuities: Asset commission</b>	0.25% x 1/12 monthly on the variable portion of the purchase price; paid at month end provided that the annuitant (or the joint annuitant where applicable) is living, payable from the end of the first month. The asset commission will be reduced proportionate to the reduction in the Performance Annuity following a conversion to a conventional annuity.			
<b>3.1.5 Temporary Life Annuities*:</b>	2%	of the first \$100,000 of purchase price.		
	1%	on excess over \$100,000.		
<b>3.1.6 Impaired Temporary Life Annuities*:</b>	2%	of the first \$250,000 of purchase price.		
	1%	on excess over \$250,000.		
3.2 Structured Settlement Annuities*				
	3%	Less than \$1,000,000		
	3.5%	\$1,000,000 less than \$5,000,000		
	3.75%	\$5,000,000 less than \$10,000,000		
	4%	\$10,000,000 less than \$30,000,000		
	4.25%	\$30,000,000 less than \$45,000,000		
	4.5%	\$45,000,000 and over		
	Based on total purchase price of all Structured Settlement business, issued in a 12-month period ending December 31.			
	The higher commission will be paid retroactive to the first dollar as each higher qualification level is reached.			

\* Note: The above annuity products designated with an asterisk are also issued by Standard Life Assurance Limited under certain circumstances and will earn commissions at the published rates shown above.

## 3.3 Ideal Segregated Funds

### a) Back-end load option

Sales Commission

3.5% of deposits, paid at time of deposit.

Asset Commission

Ideal Money Market Fund II

0.12% x 1/365 of fund value calculated daily, payable at the end of each month.

All other Funds

0.4% x 1/365 of fund value calculated daily, payable at the end of each month.

### b) No-load option

Asset Commission

Ideal Money Market Fund II

0.175% x 1/365 of fund value calculated daily, payable at the end of each month.

All other Funds

0.7% x 1/365 of fund value calculated daily, payable at the end of each month.

### c) No-load with reset option<sup>1</sup>

Sales Commission

2.1% of deposits, paid at the time of deposit.

Asset Commission

Ideal Money Market Fund II

0.2% x 1/365 of fund value calculated daily, payable at the end of each month.

All other Funds

0.40% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month.

0.80% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.

Chargeback (commission recovery)

In the event that the client withdraws during the first three years following the deposit, a decreasing schedule of chargeback<sup>2</sup> will be charged:

**Chargeback table for the No-load with reset option**

Number of years since the payment of the deposit	Chargeback rate applicable to deposit
Less than 1 year	2.1%
1 year	1.4%
2 years	0.7%
3 years or more	Nil

The calculation of the chargeback is similar to the withdrawal charge calculation for the back-end load option. Refer to the withdrawal charge section of the Ideal Segregated Fund Contract Provisions for the detailed calculation.

### d) Platinum no-load option<sup>1</sup>

Asset Commission

Ideal Money Market Fund II

0.175% x 1/365 of fund value calculated daily, payable at the end of each month.

All other Funds

0.7% x 1/365 of fund value calculated daily, payable at the end of each month.

The platform used to calculate the Asset Commission determines whether a monthly or daily calculation is applied. The statements in section 3.3 use the daily calculation. If the monthly calculation applies, the terms “1/365” and “calculated daily” should be replaced by “1/12” and “calculated monthly” respectively.

<sup>1</sup>The No-load with reset and the Platinum no-load options are not available to new contracts. Only additional premiums to existing contracts are permitted.

<sup>2</sup> For retirement income payments under Registered Retirement Income Plans, commission chargeback will be waived.

## 3.4 Ideal Segregated Funds – Signature Series<sup>1</sup>

<b>a) Back-end load option</b>	
Sales Commission	3.5% of deposits, paid at time of deposit.
Asset Commission	
Ideal Money Market Fund	0.12% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 0.20% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
Fixed Income Funds <sup>2</sup>	0.40% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 0.80% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
All other Funds – Ideal 75/100 Series and Ideal 100/100 Series	0.40% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 1.00% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
All other Funds – Ideal Income Series	0.40% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 0.80% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
<b>b) No-load option</b>	
Asset Commission	
Ideal Money Market Fund	0.20% x 1/365 of fund value calculated daily, payable at the end of each month.
Fixed Income Funds <sup>2</sup>	0.80% x 1/365 of fund value calculated daily, payable at the end of each month.
All other Funds – Ideal 75/100 Series and Ideal 100/100 Series	1.00% x 1/365 of fund value calculated daily, payable at the end of each month.
All other Funds – Ideal Income Series	0.80% x 1/365 of fund value calculated daily, payable at the end of each month.
<b>c) Low-load option</b>	
Sales Commission	1.75% of deposits, paid at the time of deposit.
Asset Commission	
Ideal Money Market Fund	0.12% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month. 0.20% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.
Fixed Income Funds <sup>2</sup>	0.40% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month. 0.80% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.
All other Funds – Ideal 75/100 Series and Ideal 100/100 Series	0.40% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month. 1.00% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.
All other Funds – Ideal Income Series	0.40% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month. 0.80% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.

<sup>1</sup> The Ideal Segregated Funds - Signature Series is not available to new contracts. Only additional premiums to existing contracts are permitted.

<sup>2</sup> Includes the Ideal Canadian Bond Fund, Ideal Global Bond Fund (formerly Ideal International Bond Fund) and Ideal Corporate Bond Fund.

### 3.4 Ideal Segregated Funds – Signature Series<sup>1</sup> (cont'd)

<b>d) Platinum no-load option</b>	
Asset Commission	
Ideal Money Market Fund	0.20% x 1/365 of fund value calculated daily, payable at the end of each month.
All other Funds	0.80% x 1/365 of fund value calculated daily, payable at the end of each month.

The platform used to calculate the Asset Commission determines whether a monthly or daily calculation is applied. The statements in section 3.4 use the daily calculation. If the monthly calculation applies, the terms “1/365” and “calculated daily” should be replaced by “1/12” and “calculated monthly” respectively.

### 3.5 Ideal Segregated Funds Signature 2.0

<b>a) Back-end load option</b>	
Sales Commission	3.5% of deposits, paid at time of deposit.
Asset Commission	
Ideal Money Market Fund	0.12% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 0.20% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
Ideal Short Term Bond Fund	0.20% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 0.40% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
Fixed Income Funds <sup>2</sup> , Equity Funds <sup>3</sup> and Ideal Global Absolute Return Strategies Fund	0.40% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 0.80% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
All other Funds	0.40% x 1/365 of fund value, for deposits that are less than or equal to 7 years old, calculated daily, payable at the end of each month. 1.00% x 1/365 of fund value, for deposits that are more than 7 years old, calculated daily, payable at the end of each month.
<b>b) No-load option</b>	
Asset Commission	
Ideal Money Market Fund	0.20% x 1/365 of fund value calculated daily, payable at the end of each month.
Ideal Short Term Bond Fund	0.40% x 1/365 of fund value calculated daily, payable at the end of each month.
Fixed Income Funds <sup>2</sup> , Equity Funds <sup>3</sup> and Ideal Global Absolute Return Strategies Fund	0.80% x 1/365 of fund value calculated daily, payable at the end of each month.
All other Funds	1.00% x 1/365 of fund value calculated daily, payable at the end of each month.

<sup>1</sup> The Ideal Segregated Funds - Signature Series is not available to new contracts. Only additional premiums to existing contracts are permitted.

<sup>2</sup> Includes the Ideal Canadian Bond Fund, Ideal Corporate Bond Fund, Ideal Global Bond Fund, Ideal Tactical Bond Fund and Ideal Templeton Global Bond Fund.

<sup>3</sup> Includes the following funds: Ideal Dividend Income Fund, Ideal Fidelity Dividend Fund, Ideal Canadian Dividend Growth Fund, Ideal Canadian Equity Fund, Ideal Canadian Small Cap Fund, Ideal U.S. Dividend Growth Fund, Ideal U.S. Equity Value Fund, Ideal Global Dividend Growth Fund, Ideal Global Equity Fund and Ideal International Equity Fund.



3.5 Ideal Segregated Funds Signature 2.0 (cont'd)	
<p><b>c) Low-load option</b></p> <p>Sales Commission</p> <p>Asset Commission</p> <p style="padding-left: 20px;">Ideal Money Market Fund</p> <p style="padding-left: 20px;">Ideal Short Term Bond Fund</p> <p style="padding-left: 20px;">Fixed Income Funds<sup>1</sup>, Equity Funds<sup>2</sup> and Ideal Global Absolute Return Strategies Fund</p> <p style="padding-left: 20px;">All other Funds</p>	<p>1.75% of deposits, paid at the time of deposit.</p> <p>0.12% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month.</p> <p>0.20% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.</p> <p>0.20% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month.</p> <p>0.40 % x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.</p> <p>0.40% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month.</p> <p>0.80% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.</p> <p>0.40% x 1/365 of fund value, for deposits that are less than or equal to 3 years old, calculated daily, payable at the end of each month.</p> <p>1.00% x 1/365 of fund value, for deposits that are more than 3 years old, calculated daily, payable at the end of each month.</p>
<p><b>d) Platinum no-load option</b></p> <p>Asset Commission</p> <p style="padding-left: 20px;">Ideal Money Market Fund</p> <p style="padding-left: 20px;">Ideal Short Term Bond Fund</p> <p style="padding-left: 20px;">All other Funds</p>	<p>0.20% x 1/365 of fund value calculated daily, payable at the end of each month.</p> <p>0.40% x 1/365 of fund value calculated daily, payable at the end of each month.</p> <p>0.80% x 1/365 of fund value calculated daily, payable at the end of each month.</p>
<p><b>e) F-Class option</b></p>	<p>Sales Commission and Asset Commission are not payable under the F-Class option.</p>

<sup>1</sup> Includes the Ideal Canadian Bond Fund, Ideal Corporate Bond Fund, Ideal Global Bond Fund, Ideal Tactical Bond Fund and Ideal Templeton Global Bond Fund.

<sup>2</sup> Includes the following funds: Ideal Dividend Income Fund, Ideal Fidelity Dividend Fund, Ideal Canadian Dividend Growth Fund, Ideal Canadian Equity Fund, Ideal Canadian Small Cap Fund, Ideal U.S. Dividend Growth Fund, Ideal U.S. Equity Value Fund, Ideal Global Dividend Growth Fund, Ideal Global Equity Fund and Ideal International Equity Fund.

3.6 Ideal Term Funds	
<p>Redeemable Term Funds</p> <p><b>Daily Interest Funds</b></p> <p><b>Less than 1 Year</b></p> <p><b>1 to 10 Years</b></p> <p>The length of the guaranteed period selected by the annuitant <b>does not</b> extend to or beyond the 85<sup>th</sup> birthday of the annuitant</p> <p>The length of the guaranteed period selected by the annuitant <b>does</b> extend to or beyond the 85<sup>th</sup> birthday of the annuitant</p>	<p>0.2% x 1/12 monthly on the Asset Value at end of each month.</p> <p>0.2% of deposit x <math>\frac{\text{number of days per term}}{365}</math>, paid at time of issue.</p> <p>0.30% of deposit x <math>\frac{\text{number of complete months per term}}{12}</math>, paid at time of issue.</p> <p>0.30% of deposit paid at time of issue + 0.30% of the fund Book Value paid at each fund anniversary, except the last anniversary, on which the commission will be calculated pro-rata for the number of days remaining until maturity.</p>

3.6 Ideal Term Funds (cont'd)	
<p><b>Over 10 Years</b> A 10-year period, from the time of issue, <b>does not</b> extend to or beyond the 85<sup>th</sup> birthday of the annuitant</p> <p>A 10-year period, from the time of issue, <b>does</b> extend to or beyond the 85<sup>th</sup> birthday of the annuitant</p> <p>Upscale RRSPs</p>	<p>3.0% of deposit paid at time of issue.</p> <p>0.30% of deposit paid at time of issue + 0.30% of the fund Book Value paid at each fund anniversary, up to and including the 9<sup>th</sup> anniversary. The maximum cumulative commission payable is 3.0%.</p> <p>0.25% of deposit paid at time of issue + 0.25% of the fund Book Value, paid at each fund anniversary except the anniversary corresponding to the Maturity Date. The guaranteed interest rates are used (rather than the average rate for the term) to calculate the Book Value.</p>
<p>At the end of each guaranteed period, if the Fund is continued with Standard Life, a new commission is payable based on the guaranteed period selected at each renewal. In the case of LIF policies, when conversion is made to a Life Annuity, the commission applicable to the payout annuity contract will apply.</p>	
3.7 Prepaid RRIFs (Deferred Annuities)	
	3% of the purchase price
3.8 Special Conditions	
<p>For internal transfers to other Standard Life products whereby the back-end load to the client is reduced or waived, the sales commission will be adjusted accordingly.</p> <p>Remuneration on plans not referred to in the schedule will be determined by the Company.</p> <p><b>Payment of commissions</b> The representative entitled to renewal commissions on term fund reinvestments or to asset based commissions will be the representative recognized by the Policyholder as the representative actually servicing the policy on the date the commission is earned.</p> <p><b>Chargeback</b> The applicable chargeback will be charged to the representative on file at the time of the surrender.</p> <p><b>Six-month Total Customer Satisfaction Guarantee</b> Remuneration paid in respect of any policy which contains the Standard Life "Six-month Total Customer Satisfaction Guarantee" is recoverable in full if the policy is cancelled pursuant to the provisions of the said guarantee.</p>	

#### 4. First-Year Commission (FYC) and renewal service fees on life insurance contracts

Subject to the Special Conditions, the Broker will be allowed as annualized first-year commission and vested renewal service fee the following percentages of premiums paid to Standard Life.

Plan	FYC	Vested Renewal Service Fee	
		Years 2 to 5	Years 6+
4.1 Perspecta			
<p><i>Level cost of insurance (LCOI)</i> On the <b>Commissionable Target Premium</b>, which is defined below</p>	55%	-	-
<p>On <b>Selected Premium</b> in excess of the Commissionable Target Premium including the target premium for riders, up to the maximum premium</p>	<sup>(1)</sup> 5%	-	-
<p>On deposit as received, in excess of the Selected Premium, up to the maximum premium</p>	<sup>(1)</sup> 5%	-	-

Plan	FYC	Vested Renewal Service Fee	
		Years 2 to 5	Years 6+
<b>4.1 Perspecta (cont'd)</b>			
<i>YRT cost of insurance</i>			
On the <b>Commissionable YRT Premium</b> , which is defined below	55%	-	-
On <b>Selected Premium</b> in excess of the Commissionable YRT Premium including the target premium for riders, up to the Commissionable Target Premium, also including the target premium for riders	55%	-	-
On <b>Selected Premium</b> in excess of the Commissionable Target Premium including the target premium for riders, up to the maximum premium	<sup>(1)</sup> 7%	-	-
On deposit as received, in excess of the Selected Premium up to the Commissionable Target Premium including the target premium for riders	55%	-	-
On deposit as received, in excess of the larger of the Selected Premium and the Commissionable Target Premium including the target premium for riders, up to the maximum premium	<sup>(1)</sup> 7%	-	-
<i>For all cost of insurance types</i>			
On deposit up to the maximum premium	-	5%	-
On deposit in excess of the maximum premium	0.25%	0.25%	-
On monthly cost of insurance charges for Perspecta Coverages	-	-	-
<b>Asset Based:</b> Payable at each policy anniversary and calculated on the value of the accounts at that anniversary	-	-	0.25%

<sup>(1)</sup>If the policy has both YRT and LCOI coverages, the Selected Premium and deposits received, in excess of the Commissionable Target Premium, will be split proportionally among the Perspecta coverages and their respective commission scales will then be applied.

The Commissionable Target Premium is the sum of :

- (i) the First Year Level cost of insurance\* for the initial sum insured for each Perspecta coverage,
- (ii) the monthly fixed charges and
- (iii) cost of benefits,

divided by 1 minus the applicable provincial premium tax rate.

The Commissionable YRT Premium is the sum of :

- (i) the First Year YRT-100 or YRT-85/20 cost of insurance\*, whichever applies, for the initial sum insured for each Perspecta coverage,
- (ii) the monthly fixed charges and
- (iii) cost of benefits,

divided by 1 minus the applicable provincial premium tax rate.

\* including any permanent extra premium for medical reasons and any extra premium if charged through an age rating, but excluding any temporary extra premium for medical reasons or any extra premium charged for any other reason whatsoever.

If an additional Perspecta Coverage is added to a Perspecta Policy already in force, the following applies:

- (i) If the cost of insurance is YRT-100 or YRT-82/20, the FYC on Commissionable YRT Premium will be allowed at time of the coverage issue. If the cost of insurance is Level, the FYC on Commissionable Target Premium will be allowed at time of the coverage issue.
- (ii) Vested renewal service fees are allowed based on Perspecta Policy Years.

No FYC applies on shelter optimizer automatic increases.

Please see clause 4.6 - Special Conditions for commission terms for Perspecta Policies with YRT cost of insurance coverage(s) owned by brokers.

Plan	FYC	Vested renewal service fee		
		Years 2 to 5	Years 6 to 10	Years 11+
<b>4.2 Whole Life Policy</b>				
4.2.1 Premium paying periods from 20 to 30 years inclusively	50%	5%	5%	-
4.2.2 Premium paying periods over 30 years	60%	5%	5%	-
<b>4.3 10 and 20 Year Renewable &amp; Convertible Term Policy or Rider</b>				
4.3.1 10 Year Renewable & Convertible Term Policy or Rider	40%	5%	2%	2% (renewal years 5%)
4.3.2 20 Year Renewable & Convertible Term Policy or Rider	50%	5%	2%	2% (renewal years 5%)
<b>4.4 Protecta (Critical Illness) policy or rider</b>				
4.4.1 Protecta 10	50%	5%	2%	2%
4.4.2 Protecta 65	50%	5%	2%	2%
4.4.3 Protecta 75	50%	5%	2%	2%
4.4.4 Protecta 100	50%	5%	2%	2%
4.4.5 Protecta 10 Enhanced	50%	5%	2%	2%
4.4.6 Protecta 65 Enhanced	50%	5%	2%	2%
4.4.7 Protecta 75 Enhanced	50%	5%	2%	2%
4.4.8 Protecta 100 Enhanced	50%	5%	2%	2%
4.4.9 Protecta Child	50%	5%	2%	2%
<b>4.5 Children's (Enhanced) Protection Rider</b>				
	45%	5%	-	-

If a rider coverage from clauses 4.3, 4.4 or 4.5 is attached to a Perspecta Policy, the following applies:

- (i) The FYC rates apply on Target Premium, which is calculated as the sum of the monthly deductions\* for the rider in its first year, divided by 1 minus the applicable provincial premium tax rate
- (ii) No broker vested renewal service fee will be paid during Perspecta Policy Years 2 to 5
- (iii) All the vested renewal service fee rates payable are applied to monthly deductions\* for the rider

\* including any permanent extra premium for medical reasons and any extra premium if charged through an age rating, but excluding any temporary extra premium for medical reasons or any extra premium charged for any other reason whatsoever.

#### 4.6 Special Conditions

Commissions and renewal service fees in respect of policy changes, conversions and replacements, will be in accordance with the Company's regulations regarding changes, conversions and replacements, as they will be communicated and amended from time to time.

Remuneration on plans or riders not referred to in the schedule will be determined by the Company.

##### **Perspecta policies with YRT cost of insurance coverage(s) owned by brokers**

Commission on YRT cost of insurance coverages for Perspecta policies owned by the broker on his own life or on the lives of others will be as follows:

##### **1<sup>st</sup> year**

55% of Commissionable YRT Premium

7% on deposit as received, in excess of the Commissionable YRT Premium including the target premium for riders, up to the maximum premium

0.25% on deposits in excess of the maximum premium

## 4.6 Special Conditions (cont'd)

### Years 2, 3, and 4

55% of the monthly YRT cost of insurance charges  
5% on deposit, up to the maximum premium  
0.25% on deposits in excess of the maximum premium

### Year 5

5% of deposit up to the maximum premium  
0.25% on deposit in excess of the maximum premium

### Years 6+

Asset commission of 0.25% payable each anniversary and calculated on the value of the accounts at that anniversary

### Perspecta Investment Loan Program

- (i) In any policy year, additional deposits subsequent to a policy loan are not commissionable up to the amount of the outstanding loan.
- (ii) Asset-based commission is payable at each anniversary and calculated on the value of the accounts net of the outstanding loan at that anniversary.

### Any Waivers Of Premium / Accidental Death Benefit / Return of Premium Benefit / Guaranteed Insurability Benefit / Survivor's Insurance Benefit

Any benefit added to a policy other than a Perspecta policy will attract the same commission as that paid on the basic Sum Insured. For Perspecta, please refer to clause 4.1.

### Rating

Any permanent extra premium for medical reasons and any extra premium charged in respect of an age rating are fully commissionable. Subject to the foregoing, no commission shall be payable in respect of any temporary extra premium charged for medical reasons or any extra premium charged for any other reason whatsoever including, without limitation, an occupational, residential, life style or avocational rating.

### Exercise of a group conversion privilege

Conversion to 1-year convertible term insurance	First-year commission is equal to 10%
Conversion of 1-year convertible term insurance	40% of regular remuneration is payable
Conversion to a term to 65	Consult the Company
Conversion to a whole life insurance	40% of regular remuneration is payable
Issue of a regular policy (fully underwritten)	Regular remuneration will be paid

### Six-month Total Customer Satisfaction Guarantee

Remuneration paid in respect of any policy which contains the Standard Life "Six-month Total Customer Satisfaction Guarantee" is recoverable in full if the policy is cancelled pursuant to the provisions of the said guarantee.

## 5. Sales Commission on Group Contracts

The Broker will be allowed as commission the following percentages of premiums paid to Standard Life.

### 5.1 All Policies

First Year and Renewal

- a) Life, Accidental Death and Dismemberment, Weekly Indemnity, Health and Dental Care benefits

Annual Premium	Rate of Commission
First \$10,000	10%
Next \$15,000	7.5%
Next \$25,000	5%
Next \$50,000	3%
Next \$150,000	2%
\$250,000 +	1%

## 5.1 All Policies (cont'd)

### b) Long-Term Disability Income Benefit

Annual Premium	Rate of Commission
First \$10,000	15%
Next \$15,000	10%
Next \$25,000	5%
Next \$50,000 +	1%

NOTE: Any Optional Life Insurance will be paid at a rate of 10% of the annual premium. The commission schedule on existing groups Dimension 5/35 will be maintained.

## 5.2 Sales Commission on Group Pension Contracts

Standard Life will pay commission to the broker for services provided to the policyholder as the agent of record and for any assistance given to Standard Life in order to install and service the plan, at the following rates:

### Contract with Fees

#### a) On **Regular Deposits**, to the Group Policy received during the Compensation Year:

**2% on the first \$50,000**  
**1% on the excess of \$50,000**

*This is the standard compensation pattern. Other options are also available.*

#### b) **1.00% of Asset Transfers** to the Group Policy received during the Compensation Year.

#### c) A **Commission on Assets** under the Group Policy is also available.

### Contract without Fees

#### a) On combined **Regular Deposits** and **Asset Transfers** to the Group Policy received during the Compensation Year:

**2% on the first \$50,000**  
**1% on the excess of \$50,000**

*This is the standard compensation pattern. Other options are also available.*

#### b) A **Commission on Assets** under the Group Policy is also available.

#### 1. **Commission Advance**

First-year commission on regular deposits is paid in advance to the Agent based on 80% of the estimated annual cash flow for the 12-month period following the effective date. Upon expiry of the said period, the Company will perform a reconciliation of the total regular deposits actually received during the said period and the said estimated annual cash flow. Any commission then determined to be due to the agent will be paid, or alternatively, the Company will recover any overpayment of commission from the Agent or from commission due to the Agent in respect of deposits made in the second or subsequent year.

#### 2. **Commission Recovery Schedule**

Number of months from the date of the first deposit to the termination date of the group policy	% of Commission Recoverable
0 to 12 months inclusively	100%
13 to 24 " "	75%
25 to 36 " "	50%
37 to 48 " "	25%
49 months or more	NIL

NOTE: No commission recovery will be applied to asset commission nor to the portion of commission on regular deposits that is offset by a cash flow charge.

Commission payments will continue to be paid to the Agent provided the Agent continues to be recognized as the Agent of record under the plan and continues to hold a valid Provincial Life Insurance Agent's licence.