
PART 1: Individual Life & Health Insurance

In part 1 of this Remuneration Schedule, unless otherwise indicated, the term “schedule” refers to part 1 of the Remuneration Schedule and defined terms have the meaning ascribed thereto. The defined terms in the Advisor Contract that are used in this schedule have the meaning set forth in the Advisor Contract, unless otherwise indicated in this schedule.

In consideration of the services rendered by the Advisor, SSQ Insurance agrees to remunerate the Advisor in accordance with the commission rates set out in this schedule.

A. DEFINITIONS

First Year Remuneration: means the remuneration paid by SSQ Insurance to the Advisor in relation to new business generated with the purchase of Individual Life & Health Insurance products by clients. The First Year Remuneration corresponds to the first year commissions plus the sales bonus.

The sales bonus shall be established as a percentage of sales commissions earned on the first year premiums.

Renewal Commissions: means the remuneration paid by SSQ Insurance to the Advisor, for the renewal or continuation of an Individual Life & Health Insurance product.

B. TERMS AND CONDITIONS FOR CALCULATING REMUNERATION

1. FIRST YEAR REMUNERATION AND RENEWAL COMMISSIONS

SSQ Insurance shall pay the First Year Remuneration and the Renewal Commissions, calculated as indicated in the table shown in article 2 of this schedule for the indicated period.

1.1. First year remuneration

- 1.1.1.** Subject to any adjustment provided for in article 1.4 of this schedule, the First Year Remuneration shall be paid out upon the issuance of an Individual Life & Health Insurance product, and shall be calculated on the amount of the annual premiums for the first year related to such product, without taking into account any additional amount that may be added to the premiums as management fees, resulting from the payment of the premium by the policyowner over a certain period of time;
- 1.1.2.** Such First Year Remuneration shall also be paid by SSQ Insurance to the Advisor within the time limits prescribed in article 1.3 of this schedule, without SSQ Insurance being required to obtain confirmation that any negotiable instrument or other method of payment used by the client has been honored, subject however to any adjustment provided for in article 1.4 of this schedule;
- 1.1.3.** Notwithstanding article 1.3 of this schedule, any First Year Remuneration pertaining to an Individual Life & Health Insurance product exceeding twenty-five thousand dollars (\$25,000) shall be paid by SSQ Insurance to the Advisor, in accordance with SSQ Insurance’s established payment terms;
- 1.1.4.** Notwithstanding article 1.3 of this schedule, any first year commission pertaining to an Individual Life & Health Insurance product for which the policyowner is the Advisor or a family member of the Advisor (spouse or common law partner, child, brother, sister, father, mother, stepchild, sister-in-law, brother-in-law, half-sister, half-brother, grandfather, grandmother) shall be paid by SSQ Insurance to the Advisor, in accordance with SSQ Insurance’s established payment terms then in force;

1.1.5. Where an Individual Life & Health Insurance product issued by SSQ Insurance is terminated or decreased within the twelve (12) months prior to or following the effective date of another Individual Life & Health Insurance product issued by SSQ Insurance on the same insured, i.e. in the event of internal replacement, the First Year Remuneration that the Advisor is entitled to shall be adjusted in accordance with article 1.5 of this schedule.

1.2. Renewal Commissions

The Renewal Commissions shall be payable for the period indicated in article 2 of this schedule and shall be calculated on the actual amount of premiums paid by the policyowner to SSQ Insurance, taking into account any additional amount that may be added to the premiums as management fees, resulting from the payment of the premiums over a certain period of time.

1.3. Methods of payment

Subject to articles 1.1 and 1.2 of this schedule, unless SSQ Insurance had given prior notice to the Advisor, the First Year Remuneration and the Renewal Commissions shall be paid by SSQ Insurance to the Advisor by direct deposit at least on a weekly basis. Neither First Year Remuneration nor Renewal Commissions will be deposited if the amount is less than one hundred dollars (\$100.00). SSQ Insurance will release the deposit when the Advisor's account exceeds one hundred dollars (\$100.00).

1.4. Adjustments to the First Year Remuneration and the Renewal Commissions

1.4.1. Notwithstanding any payment that SSQ Insurance may have made to the Advisor as First Year Remuneration or as Renewal Commissions, the Advisor shall undertake to reimburse SSQ Insurance the amount indicated, upon the occurrence of any of the following events:

- a) for all products referred to in article 2 of this schedule, any portion of the First Year Remuneration paid by SSQ Insurance to the Advisor with respect to an Individual Life & Health Insurance product, which has been terminated by the policyowner before the expiry of a twenty-four (24) month period following its issuance, calculated as follows:

$$\frac{A - B}{A} \times C = \text{ADJUSTMENT}$$

A: 24 months

B: Number of full months elapsed since the issuance of the Individual Life & Health Insurance product

C: Amount of the First Year Remuneration paid by SSQ Insurance

- b) when the premium related to a product mentioned in article 2 of this schedule, excluding universal life insurance, is decreased within twenty-four (24) months following the issuance of such product, any amount paid as First Year Remuneration is subject to a chargeback that is prorated to the premium decrease.
- c) any amount paid as Renewal Commissions for an Individual Life & Health Insurance product where the payment of the related premium has not been honored.
- d) for the universal life insurance products:

- i) Adjustment to the First Year Remuneration paid in advance

Any portion of the First Year Remuneration paid in advance and unearned due to planned but unpaid premiums.

- ii) Adjustment to the First Year Remuneration

At the end of the twenty-fourth (24th) month of insurance coverage or when the coverage is terminated between the twelfth (12th) and twenty-fourth (24th) month, if the average deposit* received by SSQ Insurance during the first n** months is less than the lesser of the following 2 amounts:

- (1) the annual target premium for commissions; or
- (2) the sum of premiums for which a First Year Remuneration was paid,

the portion of the First Year Remuneration that the Advisor undertakes to reimburse is determined by the following rule:

$$(A - B) \times C = \text{ADJUSTMENT}$$

A: Lesser of the annual target premium for commissions and the sum of premiums for which a First Year Remuneration was paid.

B: Average deposit.

C: First Year Remuneration rate, comprised of first year commission rate as stipulated in article 2 of this schedule and the sales bonus rate based on this commission.

* Average deposit = $(12 / n) \times \text{Sum of all deposits received by SSQ Insurance under the tax exempt portion of the contract.}$

** n = Number of full months elapsed since the issuance of the universal life insurance product.

iii) When the minimum premium related to a universal life insurance product is decreased within twenty-four (24) months following the issuance of such product, any amount paid as First Year Remuneration is subject to a chargeback that is prorated to the target premium decrease.

iv) Change from YRT cost of insurance to Level T100 cost of insurance

There is no commission chargeback for any change from YRT cost of insurance to Level T100 cost of insurance made between the 1st and 2nd year.

When there is a change of cost of insurance, Renewal Commissions are payable in accordance with subsection 2.6 of this Schedule. However, no First Year Remuneration is payable.

1.4.2. The Advisor shall promptly reimburse SSQ Insurance any amount that he may owe to the latter, including amounts resulting from the adjustments referred to in article 1.4.1 of this schedule;

1.4.3. The Advisor further acknowledges that SSQ Insurance may deduct from any amount that it may owe to the Advisor, any indebtedness of the Advisor towards SSQ Insurance, more particularly pursuant to the adjustments provided for in article 1.4.1 of this schedule.

1.5. Adjustments to the First Year Remuneration in case of internal replacement

Upon the occurrence of an internal replacement, as stipulated in article 1.1.5 of this schedule, the First Year Remuneration pertaining to the new Individual Life & Health Insurance product shall be adjusted as follows:

Adjusted commission =

Commission payable for the new Individual Life & Health Insurance product – $(A \times \text{Penalty} (\%)) - \frac{A \times (C - B)}{C}$

A: Minimum between the commission payable on the old Individual Life & Health Insurance product and the commission payable on the new Individual Life & Health Insurance product.

B: Minimum between the value of C and the number of months the old Individual Life & Health Insurance product was in force.

C: Chargeback period pertaining to the commissions on the new Insurance Product (months).

The penalty (%) is equal to the greater of the following 2 amounts:

- (1) 1 minus (the number of months the old Individual Life & Health Insurance product was in force X 2%); or
- (2) 0 %.

When the replaced Individual Life & Health Insurance product was in force for fifty (50) months or more, there is no adjustment on the First Year Remuneration of the new Individual Life & Health Insurance product.

2. FIRST YEAR COMMISSION AND RENEWAL COMMISSION

2.1. Permanent Life Insurance

Name of benefit	1 st year commission Rate	Renewal Commissions Rate and Term		
		Years 2-5	Years 6-10	Years 11+
Whole Life 20	50%	5%	2%	2% ⁽¹⁾
Whole Life 100	50%	5%	2%	2%
Term 100	50%	5%	2%	2%

⁽¹⁾ Payable up to year 20

2.2. Term Life Insurance

Name of benefit	1 st year commission Rate	Renewal Commissions Rate and Term	
		Years 2+	
Term 10	40%	3%	
Term 10 Exchange to Term 20 or Term 70 ⁽¹⁾	25%	3%	
Term 20	50%	3%	
Term 70	50%	3%	
		Years 2+	
Term Plus 10	40%	3%	
Term Plus 15	40%	3%	
Term Plus 20	50%	3%	
Term Plus 25	50%	3%	
Term Plus 30	50%	3%	
Term Plus 35	50%	3%	

⁽¹⁾ Exchange program

- The Term 10 exchange option is available on or after the 1st anniversary and prior to the 5th anniversary of the Term 10 benefit or Term 10 rider and in accordance with the Term Exchange Program rules.

Note: Term 10 benefit with indexation privilege is excluded from the exchange program.

- There is no chargeback on the initial Term 10 benefit. Standard chargeback rules apply if the Term 20 or Term 70 benefit is terminated within twenty-four (24) months of the exchange.

2.3. Additional benefits on Term Plus

Name of benefit	1 st year commission Rate	Renewal Commissions Rate and Term	
		Years 2+	
Total Disability Rider	40%	3%	
Critical Illness Rider	40%	3%	

2.4. Critical Illness Insurance

Name of benefit	1 st year commission Rate	Renewal Commissions Rate and Term	
		Years 2-5	Years 6+
	Critical Illness Insurance T10 ⁽¹⁾	45%	5%
Critical Illness Insurance T20 ⁽²⁾	50%	5%	2%
Critical Illness Insurance T75	50%	5%	2%
Critical Illness Insurance T100	50%	5%	2%
Critical Illness Insurance T100 paid-up 20 years	50%	5%	2%

⁽¹⁾ For each 10-year renewal period, a 15% Renewal Commission on the new Critical Illness Insurance T10 premium shall be paid (also applies to Return of Premiums at Expiry and Return of Premiums on Death). Thereafter, the Renewal Commission stipulated for the period indicated shall apply.

⁽²⁾ For each 20-year renewal period, a 15% Renewal Commission on the new Critical Illness Insurance T20 premium shall be paid (also applies to Return of Premiums at Expiry and Return of Premiums on Death). Thereafter, the Renewal Commission stipulated for the period indicated shall apply.

2.5. Additional benefits on Critical Illness Insurance

Name of benefit	1 st year commission Rate	Renewal Commissions Rate and Term	
		Years 2-5	Years 6+
	Children's Endorsement	40%	5%
Return of Premiums on Death	30%	5%	2%
Return of Premiums at Expiry	30%	5%	2%
Return of Premiums on Cancellation	30%	5%	2%

2.6. Universal Life Insurance

Name of benefit	1 st year commission Rate	Renewal Commissions Rate and Term	
		Years 2-10	Years 11+
	Universal life insurance - YRT cost of insurance		
Up to target premium	65%	5%	0%
From target premium to maximum deposit ⁽¹⁾	5%	5%	0%
Universal life insurance - Level T100 cost of insurance			
Up to target premium	55%	5%	0%
From target premium to maximum deposit ⁽¹⁾	5%	5%	0%

⁽¹⁾ The maximum deposit for the first year is equal to the maximum premium.

The sales bonus applicable on the excess of the target premium is only payable on the first year of contract.

A commission of 0.30% is payable from the 11th year on the accumulation fund and transitory deposit account values.

Each time the increasing option of the Insurability Benefit is exercised, a first year commission of 25% is payable.

2.7. Other additional benefits

Name of benefit	1 st year commission Rate	Renewal Commissions	
		Rate and Term	
		Years 2-5	Years 6+
Waiver of Premium (WP)	50%	5%	2%
Accidental Death and Dismemberment (AD&D)	50%	5%	2%
Child Rider	50%	5%	2%
Fracture	50%	5%	2%

C. SPECIFIC CONDITIONS

- i) SSQ Insurance may modify from time to time, at its sole discretion, the first year commission and the Renewal Commissions specified in article 2 of this schedule, by notice on behalf of SSQ Insurance to the Advisor, it being understood that such notice may be included in a bulletin, release or as change made to any software made available to the Advisor by SSQ Insurance, in a document available in electronic format or accessible via the Internet, intranet or extranet. Such modification shall take effect on the date indicated on the updated schedule and shall only apply to any new issue that may be added to the Advisor's Portfolio from the date indicated on the updated schedule.
- ii) Surcharges of five (5) years or more shall be paid at the same commission rate as the benefit to which they are attached and the duration that determines the commission rate is measured from the issue date of said benefit. Surcharges of less than five (5) years are not eligible for remuneration.
- iii) Where a benefit is put into effect following the exercise of the conversion option within two (2) years of the taking into effect, the Advisor shall be paid the First Year Remuneration of the new product, less the previously paid amount. Where the converted benefit has been in effect for more than two (2) years, the Advisor shall receive the First Year Remuneration as indicated in the table shown in article 2 of this schedule.
- iv) In the event of termination of the Advisor Contract, SSQ may for thirty (30) months retain any credit balance to cover unearned compensation.
- v) In the event of a benefit modification, the First Year Remuneration and the Renewal Commissions shall be established by SSQ Insurance by taking into account the conditions specific to each request.
- vi) If an insurance benefit does not fall within the categories listed above, the First Year Remuneration and the Renewal Commissions shall be established by SSQ Insurance.
- vii) For the products sold before the implementation of this schedule, please refer to the remuneration schedule in force for the targeted period.
- viii) This schedule forms an integral part of the Advisor Contract and becomes effective on the same date the Advisor Contract becomes effective.

PART 2: Segregated Funds, Annuities and GIA's

In part 2 of this Remuneration Schedule, unless otherwise indicated, the term "schedule" refers to part 2 of the Remuneration Schedule and defined terms have the meaning ascribed thereto. The defined terms in the Advisor Contract that are used in this schedule have the meaning set forth in the Advisor Contract, unless otherwise indicated in this schedule.

The remuneration payable varies depending on the type of product chosen, and applies to all contracts with regular individual pricing. In some cases, remuneration may differ; a Specific Remuneration Agreement would then be sent to the General Agent.

A. DEFINITIONS AND PRODUCTS

1. DEFINITIONS

SSQ Equity GIA: means a GIA with a 10-year term. A portion of the contribution is allocated to a compound interest GIA and the remaining portion is allocated to one or more 100% guaranteed Segregated Fund(s);

SSQ Guaranteed Income: means an individual variable annuity contract relating to a Segregated Fund, offering a minimum guaranteed income;

High Yield Account: means a DIA with a variable rate of interest;

Laddered GIA: means a GIA for which the contributions are divided into equal portions equivalent to the total term chosen;

Select GIA: means a GIA with an interest rate bonus;

Standard GIA: means a GIA for which the interest rate is based on the standard table of interest rates.

2. PRODUCTS

The following investment products are included in this schedule. These products may not be available for all plans.

➤ **SEGREGATED FUNDS**

- Segregated Funds (individual pricing)
- SSQ Guaranteed Income

➤ **GUARANTEED INTEREST ACCOUNTS (GIA)**

- Standard GIA
- Laddered GIA
- High Yield Account
- Select GIA
- SSQ Equity GIA

➤ **ANNUITIES**

B. REMUNERATION

1. REMUNERATION SHARING

In the event that a commission is payable to the Advisor under pre-established sharing rates determined with the General Agent, the portion payable to the General Agent is deducted from the total remuneration payable to the Advisor.

In the case where the General Agent has signed the Electronic Transactions Agreement with SSQ Life, the full commission for Segregated Funds and for SSQ Guaranteed Income is paid to the General Agent, unless indicated otherwise.

2. MINIMUM PAYMENT

The minimum payment that can be issued to the Advisor is established at one hundred dollars (\$100.00). Therefore, when the remuneration payable is less than one hundred dollars (\$100.00), the amount is retained by SSQ Life and is paid to the Advisor only once the balance due reaches one hundred dollars (\$100.00), without interest or penalty.

3. TERMS AND CONDITIONS FOR PAYMENT OF REMUNERATION

Any remuneration payable to the Advisor is paid on a pre-established schedule determined by SSQ Life, by direct deposit.

C. TERMS AND CONDITIONS FOR CALCULATING REMUNERATION

1. SEGREGATED FUNDS

1.1. Sales charge options

The following four (4) sales charge options are available:

- Back-load
- No-load (Mode A)
- No-load (Mode B)
- Front-load

Commission rates vary according to the sales charge option chosen by the client. The commission rate is applied to the amount invested in the Segregated Fund(s). SSQ Life reserves the right to limit the availability of sales charge options.

1.2. Particularities

- For the **No-load (Mode A)**, option, no sales commission is paid; only a trailer commission is payable.
- For the **No-load (Mode B)**, option, the trailer commission starts on the first day of the 25th month following the purchase date of the units. No trailer commission is paid during the first twenty-four (24) months.
- For the **Front-load**, option, the sales commission may vary from 0% to 5% and the applicable commission rate is the one agreed to by the Advisor and the client at the time of the transaction. (*For details, refer to the Information Folder*).

1.3. Commission chargeback (No-load option (Mode B))

If a total or partial redemption occurs within twenty-four (24) months following the purchase date of the units, then the sales commissions of the General Agent and the Advisor are subject to a chargeback that is prorated to the number of months remaining in the 24-month term.

However, if the redemption occurs upon the annuitant's death and the annuitant is under age 80, no chargeback applies unless the death occurs during the first ninety (90) days following the purchase date of the units. SSQ Life applies the same chargeback rule for clients who die within the first ninety (90) days following the purchase date of the units, regardless of the age of the client at the time of the purchase.

For Retirement Income Fund (RIF), Locked-in Retirement Income Fund (LRIF), Prescribed Retirement Income Fund (PRIF), and Life Income Fund (LIF), SSQ Life exempts the General Agent and the Advisor from the commission chargeback for purchases of No-load (Mode B) units, for redemptions up to 10% of the market value of the units subject to the No-load (Mode B) sales charge option as at December 31 of the previous year, plus 10% of the market value at the time of purchase of the units subject to the No-load (Mode B) sales charge option purchased during the current calendar year.

If the value of the units of a Segregated Fund is transferred, in whole or in part, to another Segregated Fund, the unused portion of the chargeback exemption allocated to the units whose value was transferred is also transferred, on a pro rata basis. This right is not cumulative and cannot be transferred to another sales charge option, nor can unused portions of the exemption be carried over from one calendar year to another.

If the Advisor acquires a client or a group of existing SSQ Life clients, the Advisor accepts responsibility for any future commission chargebacks that may occur upon any total or partial redemption made by such client(s).

Applicable chargebacks are always made in the same proportion as the initial sales commission paid.

1.4. Commission rates

The sales commission and the trailer commission are based on the rates specified in the "Commission Rates" form, which shall be provided by SSQ Life to the General Agent. The "Commission Rates" form forms an integral part of this schedule.

IMPORTANT: If the Advisor has signed a remuneration agreement with the General Agent, the Advisor must refer to the General Agent for any question related to commission rates and commission sharing.

For the standard product (individual pricing plans), all four (4) sales charge options are available.

The remuneration payable to the Advisor for the sales of Segregated Funds and SSQ Guaranteed Income is paid according to section B of this schedule. Note that SSQ Guaranteed Income is no longer available for sale.

The trailer commission payable to the Advisor is calculated daily based on the assets held in Segregated Funds and SSQ Guaranteed Income.

No sales commission is paid for reinvestments of income or capital gains distributed.

2. GUARANTEED INTEREST ACCOUNTS (GIA's)

2.1. Commission types *(except SSQ Equity GIA and High Yield Account)*

For any amount invested in a GIA, the commission rate is applied to the amount invested and multiplied by the number of years of investment. For terms of less than one year, the number of days is considered.

For renewals, the commission rate is applied to the renewal amount and multiplied by the number of years of investment. For terms of less than one year, the number of days is considered. The commission calculated is paid in whole to the Advisor.

The Advisor does not receive any trailer commission.

2.2. Commission chargeback *(except SSQ Equity GIA and High Yield Account)*

A portion of the commission paid to the General Agent and the Advisor is charged back by SSQ Life for clients who die during the investment term and who were aged 80 years old or over at the time the purchase or renewal was made. The amount charged back is prorated to the number of complete months remaining in the investment term.

SSQ Life applies the same chargeback rule for clients who die within the first ninety (90) days of the term, regardless of the age of the client at the time of the purchase or renewal.

If the Advisor acquires a client or a group of existing SSQ Life clients, the Advisor accepts responsibility for any future commission chargebacks that may occur upon any total or partial redemption made by such client(s).

2.3. Commission rate

If the Advisor has signed a remuneration agreement with the General Agent, the Advisor must refer to the General Agent for any question related to commission rates and commission sharing.

- **Standard GIA and Laddered GIA**

Commission type	Commission rate
Sales commission and renewal commission	0.40% per year of investment

It is agreed that, if the Advisor decides to grant an interest rate rebate, his remuneration is reduced proportionately.

The Advisor does not receive any trailer commission.

- **High Yield Account**

Commission type	Commission rate
Trailer commission	0.20% per year of investment

The Advisor does not receive any remuneration for the sales or renewal of High Yield Account.

The trailer commission payable to the Advisor is calculated daily based on the asset value invested in the High Yield Account.

- **Select GIA**

Commission type	Commission rate
Sales commission and renewal commission	0.20% per year of investment

It is agreed that, if an Advisor decides to grant an interest rate rebate, his remuneration is reduced proportionately. The Advisor does not receive any trailer commission for the Select GIA.

- **SSQ Equity GIA**

For the portion invested in a GIA, the commission rate is applied to the amount invested. The Advisor does not receive any trailer commission.

Portion invested in a GIA - 10 year	
Sales commission and renewal commission	4.0000%
Trailer commission (annual rate)	0.0000%

For the portion invested in Segregated Funds, the sales and trailer commissions are based on the rates specified in the "Commission Rates" form, which shall be provided by SSQ Life to the General Agent. The "Commission Rates" form forms an integral part of this schedule.

The trailer commission payable to the Advisor is calculated daily based on the asset value invested in the SSQ Equity GIA.

3. ANNUITIES

Sales commissions are based on the amount of capital invested. The Advisor does not receive any trailer commission.

- **Life annuities and term annuities**

The standard sales commission rates described below apply. Upon request, the commission rates may vary from the standard scale; however, they cannot exceed the maximum rates.

Invested capital	Standard rate	Maximum rate
Initial \$100,000	2%	3%
Next \$100,000	1.5%	3%
Excess over \$200,000	1%	3%

The amount of the annuity may vary depending on the amount of the sales commission granted.

- **Fixed capital annuities**

Commission type	Commission rate
Sales commission	0.40% per year of investment

It is agreed that if the Advisor decides to grant an interest rate rebate, his remuneration is reduced proportionately.

D. SPECIFIC CONDITIONS

- Remuneration payable for a product or a combination of products not mentioned in this schedule is determined by SSQ Life and specified in a new schedule, if necessary.
- The aforementioned rates and conditions may be modified by SSQ Life from time to time, at its sole discretion, by notice on behalf of SSQ Life to the Advisor, it being understood that such notice may be included in a bulletin, release or as change made to any software made available to the Advisor by SSQ Life, in a document available in electronic format or accessible via the Internet, intranet or extranet. Any modification pertaining to the sales or renewal commission shall take effect on the date indicated on the updated schedule and shall only apply to any new contract that may be added to the Advisor's Portfolio from the date indicated on the updated schedule. Any modification pertaining to the trailer commission shall take effect on the date indicated on the updated schedule. The General Agent may request a change in the commission sharing rates applicable to all Segregated Funds and SSQ Guaranteed Income, upon written notice of ten (10) days to SSQ Life.
- This schedule replaces any other prior remuneration schedule, except for any Special Remuneration Agreements. It is an integral part of the Advisor Contract and becomes effective on the same date.

