

## APPENDIX A

### INDIVIDUAL INSURANCE

#### COMMISSION RATES AS PERCENTAGE OF PREMIUM

PRODUCT	1 <sup>ST</sup> YEAR *	2 <sup>ND</sup> TO 5 <sup>TH</sup> YEAR	6 <sup>TH</sup> YEAR AND ABOVE
1. ULYSSES 2000 - Minimum premium - Between minimum and maximum premium - Excess of maximum premium	55% 4.5% 0.45%	2%* 1%*	0.10%* on total value of funds
2. ADAPTABLE-EQUITABLE**	55%	5%	2%
3. ADAPCI-QUITABLE ***	55%	5%	2%
4. ADAPCI-EQUITABLE JUVENILE ***	55%	5%	2%
5. ADAPCI-EQUITABLE HYBRID ***	55%	5%	2%
6. INTEGRAL-EQUITABLE	55%	5%	2%
7. T-10 SUPERIOR+	40%	5%	Note (1)
8. T-20 SUPERIOR+	45%	5%	Note (2)

(1) 15% at 11<sup>th</sup> year and every 10 years thereafter; 2% for all the other years;

(2) 15% at 21<sup>st</sup> year and every 10 years thereafter; 2% for all the other years

\* Commission subject to Additional Volume Commission (bonus).

\*\* Options 3-5-7: for policies sold after November 3, 2006, the commission on the Option Premium is 50%; for policies sold before November 4, 2006, the commission on the Option Premium is 12.5%; thereafter, in both cases, the commission is payable at the renewal rate of the current policy.

\*\*\* Options 3-5-7: for policies sold after September 15, 2010, the commission on the Option Premium is 50%; for policies sold before September 16, 2010, the commission on the Option Premium is 12.5%; thereafter, in both cases, the commission is payable at the renewal rate of the current policy.

## APPENDIX A (continued)

### INVESTMENT & RETIREMENT

#### 1. ANNUITY AND GIC-TYPE PRODUCTS

a) **UNIFLEX AND PARTICIPATING UNIFLEX** for Retirement Savings Plan (RSP), Registered Retirement Savings Plan (RRSP), Locked-in Retirement Account (LIRA), Tax Free Savings Account (TFSA). For Uniflex only, Registered Retirement Income Fund (RRIF) and Life Income Fund (LIF).

- Commission: 0.40% multiplies by the number of guaranteed years (payable at issue)
- It is possible to increase the credited interest rate by reducing the commission according to the following schedule:

Commission	Credited Interest Rate Increase
0,30 % multiplies by the number of years	0,10 %
0,20 % multiplies by the number of years	0,20 %
0,10 % multiplies by the number of years	0,30 %
0,00 % multiplies by the number of years	0,40 %

- Unearned commission is recovered if the client dies at age 81 and more
- This product is not eligible for the Additional Volume Commission (bonus).

b) **STEP-UP UNIFLEX 10 YEARS** for RSP, RRSP, LIRA and TFSA

- Commission: 2.00% of deposit (payable at issue)
- It is possible to increase the credited interest rates by reducing the commission according to the following schedule:

Commission	Credited Interest Rates Increase
1,50 % of deposit	0,05 %
1,00 % of deposit	0,10 %
0,50 % of deposit	0,15 %
0,00 % of deposit	0,20 %

- Unearned commission is recovered in case of withdrawal, transfer or death before the expiry (10 years)
- This product is not eligible for the Additional Volume Commission (bonus).

c) **10-YEAR UNIFLEX** for RSP, RRSP, LIRA and TFSA

- Commission:
  - 2.00% of initial deposit (payable at issue)
  - 2.00% of initial deposit (payable after 5 years)
- It is possible to increase the credited interest rates by reducing the commission according to the following schedule:

Commission		Credited Interest Rates Increase
At Issue	After 5 years	
1,50 % of deposit	1,50 % of deposit	0,10 %
1,00 % of deposit	1,00 % of deposit	0,20 %
0,50 % of deposit	0,50 % of deposit	0,30 %
0,00 % of deposit	0,00 % of deposit	0,40 %

- Unearned commission is recovered if the client dies at age 81 and more
- This product is not eligible for the Additional Volume Commission (bonus).

d) **STOCK MARKET INDEXED UNIFLEX** for RSP, RRSP, LIRA and TFSA

- Commission: 3% of deposit (payable at issue)
- This product is not eligible for the Additional Volume Commission (bonus).

- e) **DAILY INTEREST ACCOUNT** for RSP, RRSP, LIRA, TFSA, RRIF and LIF
- No commission is payable
- f) **IMMEDIATE ANNUITY** : (registered or not)
- Commission : 3.00 % on first \$100,000 of single premium and 1.00% for the excess
  - It is possible to increase the periodic income by reducing the commission
  - This product is not eligible for the Additional Volume Commission (bonus).

## 2. **MERCURY FUNDS**

### a) **B Series:**

Sales Options	Commission at issue	Annual Service Commission
Front Load Option (FLO)	5% Max	0.50%
Back-end Load Option (BLO)	5%	0.40%
Low-Sales Charge Option (LCO)	2%	0.25% the first 2 years and 0.50% afterwards

### b) **A Series: (closed since December 31, 2004):**

Sales Options	Commission at issue	Annual Service Commission
Purchase Application Fee	5% Max	1%
Differed Application Fee	5%	0.5% the first 6 years and 1% afterwards

#### SPECIAL CONSIDERATIONS

- All commissions are total and shared with the Master General Agent (at its discretion).
- Commission rates are applicable to all funds.
- Annual Service Commission is payable on a quarterly basis.
- This product is not eligible for the Additional Volume Commission (bonus).

## 3. **UL DIRECT ACCOUNT** for RSP only

- Commission: 0.20% on annual basis, payable quarterly and calculated on the average balance during the quarter for each account, if you are identified as the client's advisor.
- This product is not eligible for the Additional Volume Commission (bonus).

## RECOGNITION BONUS

As an incentive to increase production level, the Company pays the Recognition Bonus based and applied on Adjusted Net First Year Commissions (ANFYC) as defined hereafter:

<b>ANFYC</b>	<b>Bonus Rate</b>	<b>ANFYC</b>	<b>Bonus Rate</b>
Less than \$10,000	0%	\$15,000 to \$15,999	15%
\$10,000 to \$10,999	10%	\$16,000 to \$16,999	16%
\$11,000 to \$11,999	11%	\$17,000 to \$17,999	17%
\$12,000 to \$12,999	12%	\$18,000 to \$18,999	18%
\$13,000 to \$13,999	13%	\$19,000 to \$19,999	19%
\$14,000 to \$14,999	14%	\$20,000 and over	20%

In the calculation of the Recognition Bonus, ANFYC are determined by adding:

- 100% of NFYC credited for Individual Insurance products (Life, Critical Illness and Long Term Care) during the year, and
- 50% of NFYC (new deposits and renewals) credited on the Investment and Retirement Guaranteed products (Uniflex and annuities) during the year (Mercury Funds are excluded).

For Individual Insurance products, NFYC (Net First Year Commissions) are the commissions credited during the calendar year, less any commissions recovered on policies cancelled during that period which have not been in force for a minimum of 24 months.

For Investment and Retirement products, NFYC (new deposits and renewals) are the commissions credited during the calendar year less deductions for unearned commissions.

The Recognition Bonus begins on July 1, 2010. For 2010, it is based on twice the ANFYC credited between July 1 and December 31, 2010.