

# FUNDSERV COMPENSATION SCHEDULE

This Compensation Schedule outlines the compensation payable by The Empire Life Insurance Company (Empire Life) to MGAs, AGAs and National Accounts (collectively, "Dealers") on the investment plans listed below (collectively, the "FundSERV policies") if these plans are settled using the FundSERV system or transacted through a Dealer:

- all Guaranteed Investment Funds (GIF) – 75/75, 75/100 and 100/100 Plans and Class Plus 3.0 policies that have been settled using the FundSERV network.
- Guaranteed Interest Contracts (GIC) issued under a FundSERV Dealer Code will also be compensated under this schedule.

This Compensation Schedule provides the entire compensation payable in respect of FundSERV policies.

Dealers are responsible for paying any and all compensation for FundSERV policies to their Advisors according to the terms agreed upon by the Dealer and its Advisors. Empire Life is not responsible for paying any compensation to Advisors for FundSERV policies.

## Guaranteed Investment Funds (GIF) – 75/75, 75/100 and 100/100 Plans

### Segregated Funds

#### a) New Deposits Commission

DSC	LL	NL	FE	F-Class/Fee For Service (FFS)
5%	2.50%	3.5%	Equal to Sales Charge*	N/A

\*Valid sale charges are 0% to 5%

#### b) Trailer Commissions

Fund	DSC	LL	NL	FE	F-Class/FFS
<b>MONEY MARKET FUNDS</b>					
Money Market GIF	0.15% before the Withdrawal Fee Schedule ends 0.25% after the Withdrawal Fee Schedule ends	0% in 1st year, 0.15% for years 2-4, 0.25% thereafter	0.25%	N/A	
<b>FIXED INCOME FUNDS</b>					
Bond GIF	0.25% before the Withdrawal Fee Schedule ends 0.50% after the Withdrawal Fee Schedule ends	0% in 1st year, 0.25% for years 2-4, 0.50% thereafter	0.50%	N/A	
Strategic Corporate Bond GIF					
Short Term High Income GIF					
<b>BALANCED FUNDS</b>					
Income GIF	0.50% before the Withdrawal Fee Schedule ends 1.00% after the Withdrawal Fee Schedule ends	0% in 1st year, 0.50% for years 2-4, 1.00% thereafter	1.00%	N/A	
Balanced GIF					
Monthly Income GIF					
Dividend Balanced GIF					
Asset Allocation GIF					
Global Asset Allocation Fund GIF					
Multi-Strategy Global Conservative Portfolio GIF					
Multi-Strategy Global Balanced Portfolio GIF					
Multi-Strategy Global Growth Balanced Portfolio GIF					
Multi-Strategy Global Moderate Growth Portfolio GIF					

Fund	DSC	LL	NL	FE	F-Class/FFS
<b>EQUITY FUNDS</b>					
Dividend Growth GIF	0.50% before the Withdrawal Fee Schedule ends 1.00% after the Withdrawal Fee Schedule ends		0% in 1st year, 0.50% for years 2-4, 1.00% thereafter	1.00%	N/A
Canadian Equity GIF					
Elite Equity GIF					
Small Cap Equity GIF					
American Value GIF					
Global Equity GIF					
International Equity GIF					
Global Smaller Companies Fund GIF					
Global Dividend Growth GIF					
Global Sustainable Equity GIF					
Multi-Strategy Canadian Equity GIF					
Multi-Strategy US Equity GIF					
Multi-Strategy Global Equity GIF					
Multi-Strategy Global Growth GIF					
<b>EMBLEM GIF PORTFOLIOS</b>					
Emblem Diversified Income Portfolio GIF	0.375% before the Withdrawal Fee Schedule ends 0.75% after the Withdrawal Fee Schedule ends		0%, in 1st year, 0.375% for years 2-4, 0.75% thereafter	0.75%	N/A
Emblem Conservative Portfolio GIF	0.50% before the Withdrawal Fee Schedule ends 1.00% after the Withdrawal Fee Schedule ends		0% in 1st year, 0.50% for years 2-4, 1.00% thereafter	1.00%	N/A
Emblem Balanced Portfolio GIF	0.50% before the Withdrawal Fee Schedule ends 1.10% after the Withdrawal Fee Schedule ends		0% in 1st year, 0.50% for years 2-4, 1.10% thereafter	1.10%	N/A
Emblem Moderate Growth Portfolio GIF	0.50% before the Withdrawal Fee Schedule ends 1.25% after the Withdrawal Fee Schedule ends		0% in 1st year, 0.50% for years 2-4, 1.25% thereafter	1.25%	N/A
Emblem Growth Portfolio GIF					
Emblem Aggressive Growth Portfolio GIF					
Emblem Global Conservative Portfolio GIF	0.50% before the Withdrawal Fee Schedule ends 1.00% after the Withdrawal Fee Schedule ends		0% in 1st year, 0.50% for years 2-4, 1.00% thereafter	1.00%	N/A
Emblem Global Balanced Portfolio GIF	0.50% before the Withdrawal Fee Schedule ends 1.10% after the Withdrawal Fee Schedule ends		0% in 1st year, 0.50% for years 2-4, 1.10% thereafter	1.10%	N/A
Emblem Global Moderate Growth Portfolio GIF	0.50% before the Withdrawal Fee Schedule ends 1.25% after the Withdrawal Fee Schedule ends		0% in 1st year, 0.50% for years 2-4, 1.25% thereafter	1.25%	N/A
Emblem Global Aggressive Portfolio GIF					

## Additional Notes – Guaranteed Investment Funds (GIF)

- 1) Trailer Commissions
  - a) Paid monthly, (The Annual Trailer rate divided by twelve)
  - b) Based upon the Average Daily Balance during the month
  - c) DSC and LL trailer commission rates are based on each deposit date
- 2) Front-End (FE) Load Deposit Commissions range from 0% to 5% and are equal to the sales charge assessed against the deposit
- 3) Funds surrendered from a No Load (NL) purchase option, within 36 months of deposit are assessed a commission chargeback
  - a) The amount charged back will equal the proportionate commission paid multiplied by the percentage shown in the following table
  - b) Chargebacks are calculated at a fund level on a first in, first out basis (matured units and free units will be considered withdrawn first).
  - i) Chargebacks will be waived on 10% of the units annually (20% for RRIF plans).

Number of Months from Deposit Date	Chargeback Percentage	Number of Months from Deposit Date	Chargeback Percentage
1-12	100%	25	48%
13	96%	26	44%
14	92%	27	40%
15	88%	28	36%
16	84%	29	32%
17	80%	30	28%
18	76%	31	24%
19	72%	32	20%
20	68%	33	16%
21	64%	34	12%
22	60%	35	8%
23	56%	36	4%
24	52%	37+	0%

### Example: Assumes a single deposit to one fund

Transaction	Date	Amount	Unit Price	Units	Free Units	Commission	Proportionate Chargeback	Chargeback Amount
Deposit	01Feb2019	\$15,000	\$10	1500	150	\$525.00	N/A	N/A
Withdrawal	01Dec2019	\$18,000	\$12	1500	150	\$525.00	$(1500 - 150) / 1500 = 90\%$	$\$525.00 * 90\% = \$472.50$

## Class Plus 3.0

### Segregated Funds

a) New Deposits Commission

DSC	LL	NL	FE	F-Class/Fee For Service (FFS)
5%	2.50%	3.5%	Equal to Sales Charge*	N/A

\*Valid sale charges are 0% to 5%

b) Trailer Commissions

Fund	DSC	LL	NL	FE	F-Class/FFS	
<b>MONEY MARKET FUNDS</b>						
Money Market GIF	0.15%	0.175%	0% in 1st year, 0.175% thereafter	0.25%	N/A	
<b>FIXED INCOME FUNDS</b>						
Bond GIF	0.25%	0.35%	0% in 1st year, 0.35% thereafter	0.50%		
<b>BALANCED FUNDS</b>						
Income GIF	0.50%	0.70%	0% in 1st year, 0.70% thereafter	1.00%	N/A	
Balanced GIF						
Global Balanced GIF						
Monthly Income GIF						
Dividend Balanced GIF						
Elite Balanced GIF						
Asset Allocation GIF						
Global Asset Allocation Fund GIF						
<b>EMBLEM GIF PORTFOLIOS</b>						
Emblem Diversified Income Portfolio GIF	0.375%	0.50%	0% in 1st year, 0.50% thereafter	0.75%	N/A	
Emblem Conservative Portfolio GIF	0.50%	0.70%	0% in 1st year, 0.70% thereafter	1.00%		
Emblem Balanced Portfolio GIF		0.75%	0% in 1st year, 0.75% thereafter	1.10%		
Emblem Moderate Growth Portfolio GIF		0.80%	0% in 1st year, 0.80% thereafter	1.25%		
Emblem Growth Portfolio GIF		0.70%	0% in 1st year, 0.70% thereafter	1.00%		
Emblem Global Conservative Portfolio GIF		0.75%	0% in 1st year, 0.75% thereafter	1.10%		
Emblem Global Balanced Portfolio GIF		0.80%	0% in 1st year, 0.80% thereafter	1.25%		
Emblem Global Moderate Growth Portfolio GIF						

## Additional Notes – Class Plus 3.0

- 1) Trailer Commissions
  - a) Paid monthly, (The Annual Trailer rate divided by twelve)
  - b) Based upon the Average Daily Balance during the month
- 2) Front-End (FE) Load Deposit Commissions can range from 0% to 5% and are equal to the sales charge assessed against the deposit
- 3) Funds surrendered from a No Load (NL) purchase option, within 36 months of deposit are assessed a commission chargeback
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24	52%	37+	0%

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Withdrawal	01Dec2019	\$18,000	\$12	1500	150	\$525.00	$(1500 - 150) / 1500 = 90\%$	\$525.00 * 90% = \$472.50

## Guaranteed Interest Contract (GIC)

### 1) Daily Interest Option

Trailer Commissions

0.54% (annual rate)

- a) Paid monthly (Annual Trailer rate divided by 12)
- b) Based on the Average Daily Balance during the month

### 2) Guaranteed Interest Option

- a) New Deposits Commissions & Reinvestments

Investment Term	Commission Rate	Investment Term	Commission Rate
30 days	$30/365 \times 0.54\%$	90 days	$90/365 \times 0.54\%$
180 days	$180/365 \times 0.54\%$	—	—
1 year	0.54%	1.5 year	0.81%
2 year	1.08%	2.5 year	1.35%
3 year	1.62%	3.5 year	1.89%
4 year	2.16%	4.5 year	2.43%
5 year	2.70%	5.5 year	2.97%
6 year	3.24%	6.5 year	3.51%
7 year	3.78%	7.5 year	4.05%
8 year	4.32%	8.5 year	4.59%
9 year	4.86%	9.5 year	5.13%
10 year	5.40%	—	—