



INFORMATION CIRCULAR

DATE: JANUARY 7TH, 2022

No. 2022-01

CATEGORY: INVESTMENTS

TO: Managing General Agents, Associate General Agents, Brokers, General Agents, Financial Advisors and National Accounts

SUBJECT: Empire Life GIF Growth Commission Bonus program 2022

Announcement Empire Life is pleased to announce the renewal of the Empire Life GIF Growth Commission Bonus Program for the calendar year of 2022. For a limited time, advisors, who are actively promoting this value to their clients by growing their Empire Life Guaranteed Investment Fund (GIF) deposits and assets, will have the opportunity to earn a commission bonus that rewards their growth. The GIF Growth Commission Bonus is available on deposits made between January 1 and December 31, 2022. All details regarding the 2022 GIF Growth Commission Bonus Program will remain the same as they were for the 2021 GIF Growth Commission Bonus program.

Eligible Products

All advisors with a minimum of \$100,000 in GIF deposits in 2022 will receive the commission bonus. GIF includes the following products:

- GIF 75/75
- GIF 75/100
- GIF 100/100

Deposits into Class Plus 3.0 or Empire Life legacy products will not be included.

How The Program Works

100% of the GIF Growth Commission Bonus is payable directly to advisors to reward them for growing their GIF business and providing outstanding in-force service to existing Empire Life GIF clients. The program rewards successful advisors in two ways:

1. **GIF Deposit Bonus Rate** – A commission bonus is payable based on GIF gross deposits.
2. **Net Growth Bonus Factor** – The GIF Deposit Bonus Rate is multiplied by the Net Growth Bonus Factor to determine the total GIF Growth Commission Bonus.

2022 GIF Growth Commission Bonus formula

Total GIF Deposits
x Deposit Bonus Rate
x Net Growth Bonus Factor
GIF Growth Commission Bonus

Bonus Commission Payout Date

The GIF Growth Commission Bonus commission will be calculated in early January 2023, after all 2022 GIF deposits & redemptions have been processed. The commission bonus will be paid sometime in late January or early February 2023.

GIF Deposit Bonus Rate

A bonus commission is payable based on GIF gross deposits	
Deposits	GIF Deposit Bonus Rate
\$0-\$99,999 ¹	0.00%
\$100,000-\$499,999	0.25%
\$500,000-\$999,999	0.30%
\$1,000,000-\$1,999,999	0.35%
\$2,000,000-\$2,999,999	0.40%
\$3,000,000-\$3,999,999	0.45%
\$4,000,000-\$4,999,999	0.50%
\$5,000,000+	0.55%

¹Advisor must have more than \$100,000 in gross GIF deposits in 2022 to be eligible

Net Growth Bonus Factor

The GIF Deposit Bonus Rate is multiplied by the Net Growth Bonus Factor to determine the total GIF Growth Bonus	
Ratio Formula (Gross Deposits – Redemptions) ÷ Gross Deposits	
Net GIF Growth Formula (result of formula)	Net GIF Growth Bonus Factor
0% - 9% ²	100%
10% - 19%	105%
20% - 29%	110%
30% - 39%	115%
40% - 49%	120%
50% - 59%	125%
60% - 69%	130%
70% - 79%	135%
80% - 89%	140%
90% - 99%	145%
100%	150%

²The Growth Ratio has a floor of 0%, so advisors who have a negative growth ratio will not have a negative Growth Factor.

Reference

Geoff Gibson, Vice-President, Investment Product and Marketing

APPENDIX

GIF Growth Commission Bonus Eligibility

All Empire Life GIF deposits received and processed from January 1st, 2022 through the end of business December 31, 2022, will be eligible for the growth commission bonus. This includes all deposits received through:

- Fast & Full Investment Application
- Fundserv deposits via Wire Order
- Additional GIF deposits processed through the Empire Life My Advisor Dashboard
- Pre-authorized Debits (PAD)
- Paper applications and deposits

GIF Growth Commission Bonus Example A

Robert generated \$4,000,000 in segregated fund deposits into Empire Life GIF contracts in 2022. He also had \$1,700,000 in redemptions from Empire Life GIF contracts. Robert's segregated fund growth bonus will be calculated as follows:

- Deposits = \$4,000,000; resulting GIF Deposit Bonus Rate = 0.50% (based on chart)
- Redemptions = \$1,700,000
- Net Growth Ratio = $(\$4,000,000 - \$1,700,000) \div \$4,000,000 = 57.5\%$
- Resulting Net GIF Growth Bonus Factor = 125% (based on chart)

2022 GIF Growth Commission Bonus = $\$4,000,000 \times 0.50\% \times 125\% = \underline{\$25,000}$

GIF Growth Commission Bonus Example B

Julia generated \$2,500,000 in segregated fund deposits into GIF contracts in 2022. She also had \$3,000,000 in redemptions from Empire Life GIF contracts. Julia's segregated fund growth bonus will be calculated as follows:

- Deposits = \$2,500,000; resulting GIF Deposit Bonus Rate = 0.40% (based on chart)
- Redemptions = \$3,000,000
- Net Growth Ratio = $(\$2,500,000 - \$3,000,000) \div \$2,500,000 = -20\%$
- Resulting Net GIF Growth Bonus Factor = 100% (based on chart)

2022 GIF Growth Commission Bonus = $\$2,500,000 \times 0.40\% \times 100\% = \underline{\$10,000}$

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