



INFORMATION CIRCULAR

DATE: SEPTEMBER 1ST, 2020

No. 2020-26

CATEGORY: INVESTMENTS

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

SUBJECT: Earn up to an extra 15% commission on GIF deposits through the remainder of 2020 with the 2020 Empire Life GIF Sales Commission Bonus

Announcement Empire Life is pleased to announce a 2020 Sales Commission Bonus campaign that will be applicable to all deposits (paper and digital) into Empire Life Guaranteed Investment Funds (GIF) contracts. The 2020 Sales Commission campaign will replace the previously announced GIF Digital Commission program (CIRE-2020-03), which was set to expire on September 30th, 2020, effective September 1st, 2020.

All GIF deposits will now be paid an **extra 10% commission bonus** (above the standard commission rate) from September 1st, 2020 to December 31st, 2020. See Appendix A for details on eligibility, calculation, and payment of the extra 10% commission bonus.

At the end of the 2020 Sales Commission Bonus campaign all GIF digital deposits from September 1st, 2020 to December 31st, 2020 will be paid an additional **extra 5% digital commission bonus** (above the standard commission rate). See Appendix B for details for details on eligibility, calculation, and payment of the additional extra 5% commission bonus.

Eligible Products

Only eligible GIF deposits 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 products closed to new contract sales will not be included.

10% GIF Commission Bonus Rates

The extra 10% commission bonus will apply to all GIF deposits from September 1st 2020 to December 31st, 2020. The extra 10% commission bonus will apply as follows:

Purchase Fee Option	Standard GIF Deposit Commission Rate	10% GIF Deposit Commission Bonus Rate
DSC	5.00%	5.50%
No Load	3.50%	3.85%
Low Load	2.50%	2.75%
Front End Load*	0%	0.25%
F-Class/Fee For Service†	Not eligible	Not eligible

* Empire Life will pay a 0.25% deposit commission bonus on all eligible GIF Front End Load deposits, regardless of the Front End Load percentage selected by the client

† Any commissions in a F-Class/Fee For Service contract are negotiated by the client and the Advisor/Dealer and are paid by the client directly

GIF 10% Commission Bonus example

The following is an example of how the extra 10% GIF commission bonus would be calculated using a hypothetical scenario:

Product: GIF 75/100

Application Type: Fast & Full Investment Application

Deposit Type: One Pre-Authorized Deposits (PAD)

Date of Deposit: September 15, 2020

Deposit Amount: \$100,000

Purchase Fee Option: No Load

$$\underline{\$100,000 \times 3.85\% = \$3,850}$$

The GIF deposit commission would be calculated at the time of the deposit and would be paid during the applicable Empire Life weekly advisor pay period. See Appendix A for further details on how the extra 10% commission bonus is calculated and paid.

As the above GIF deposit was processed through the Fast & Full Investment Application it would also be eligible for the additional extra 5% GIF digital commission bonus. This bonus would be calculated and paid the end of the 2020 GIF Sales Commission Bonus Campaign (estimated late January 2021). See Appendix B for further details on how the additional extra 5% commission bonus is calculated and paid.

Reference

Geoff Gibson, Vice-President, Investment Product and Marketing

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Appendix A: 10% GIF Sales Commission Bonus

10% GIF Sales Commission Bonus Eligibility

All Empire Life GIF deposits received and processed from September 1st, 2020 through the end of business December 31, 2020, will receive the extra 10% commission bonus. This includes all deposits received through:

- Fast & Full Investment Application
- Empire Life Advisor Portal (deposits and T2033 transfer requests)
- Fundserv Wire Order
- Paper (i.e. cheque from client)
- Transfers from another institution
- One-Time Pre-Authorized Deposit (PAD)
- Recurring PAD
- Transfers from another Empire Life policy

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10% GIF Sales Commission Bonus Calculation & Payment

For eligible GIF deposits into the DSC, NL, and LL purchase fee option between September 1st to December 31st 2020, the extra 10% GIF commission bonus will be calculated at the time of each deposit and will be paid during the applicable Empire Life weekly advisor pay period (see CIRE-2019-26 for the 2020 Weekly Advisor Pay Schedule).

For eligible GIF deposits into the FEL purchase fee option between September 1st, 2020 to December 31st 2020, the extra 0.25% commission bonus will be calculated after December 31st, 2020 and paid in a subsequent Empire Life weekly advisor pay period (approximately late January 2021).

The 0.25% FEL commission bonuses will be paid to the advisor and MGA/Dealer directly and not through Fundserv in accordance with the following table:

Purchase Option	Paid to Advisor	Paid to MGA/Dealer
FEL	22.5 bps	2.5 bps

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Appendix B: 5% GIF Digital Sales Commission Bonus

5% GIF Digital Sales Commission Bonus Eligibility

All GIF digital deposits received and processed from September 1st, 2020 through the end of business December 31, 2020, will receive an additional extra 5% commission bonus. To be eligible for the additional extra 5% commission bonus the deposit must be received through:

- Fast & Full Investment Application
- Empire Life Advisor Portal (deposits and T2033 transfer requests)
- Fundserv Wire Order (trades processed by Fundserv Dealer)

The following types of GIF digital deposits are eligible for the additional extra 5 % commission bonus:

Type of GIF Deposit	GIF Digital Deposits submitted through:		
	Fast & Full Investment Application	Empire Life Advisor Portal	Fundserv Wire Order
Additional Deposit (non-Pre-Authorized Deposit)	N/A	N/A	Yes
One-time Pre-Authorized Deposit (PAD)	Yes (for new contracts)	Yes	Yes
Recurring PADs (new and existing)*	Yes (for new contracts)	Yes	N/A
Transfers from another institution (T2033 or In Cash Transfer "ICT")	Yes (for new contracts)	Yes	Via ICT
Transfers from another Empire Life policy	Yes (for new contracts)	N/A	Yes

* All existing recurring PADs as of September 1st, 2020 will receive the additional extra 5% GIF digital commission bonus

5% GIF Digital Sales Commission Bonus Calculation & Payment

For eligible GIF digital deposits made between September 1st to December 31st, 2020 the additional extra 5% GIF digital commission bonus will be calculated after December 31st, 2020 and paid in a subsequent Empire Life weekly advisor pay period (approximately late January 2021)

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The additional extra 5% GIF digital commission bonus will be paid to the advisor directly and not through Fundserv. The additional 5% extra GIF digital commission bonus for each purchase fee option will be paid in accordance with the following table*.

Purchase Option	5% Digital Commission Bonus
DSC	25bps
No Load	17.5bps
Low Load	12.5bps
Front End Load	12.5bps

* The 5% digital commission bonus will be paid on the total amount of all eligible GIF digital deposits made from September 1st, 2020 to December 31st, 2020.

5% GIF Digital Sales Commission Bonus Example

The following is an example of how the additional extra 5% GIF digital commission bonus would be calculated using a hypothetical scenario:

Deposit Period: September 1st, 2020 to December 31st, 2020

Total eligible GIF Digital Deposits: \$575,000

Purchase Fee Option: Low Load only

$\$575,000 \times 0.00125\% = \718.75

Early Termination of Previously Announced GIF Digital Commission Campaign

The GIF Digital Commission Campaign, announced in CIRE-2020-03 and extended through September 30th, 2020, will end effective September 1st, 2020. All eligible GIF digital deposits from July 1st, 2020 to August 30th, 2020 will receive the extra 10% commission bonus. The extra 10% commission bonus will be calculated after August 30th, 2020 and paid in a subsequent Empire Life weekly advisor pay period (approximately end of September 2020). No other changes to the existing GIF Digital Commission Campaign are being made.

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