

Commission and chargeback changes on Equimax Wealth Accumulator®

Transition rules effective as of February 10, 2020

Introducing a new 25-month chargeback for Wealth Accumulator!

The chargeback on first year commission for Equimax Wealth Accumulator policies is changing to a 25-month chargeback for policies that do not qualify as Producer and Producer Related.

What's changed? Moving from a 61-month ("5-year") to 25-month chargeback for Wealth Accumulator.

Other important information:

- Commission rates credited on Wealth Accumulator policies will also change.
- There are no changes to the commission rates or the chargeback schedule applicable to Equimax Estate Builder® policies.
- The 61-month chargeback will continue to apply for any Equimax Wealth Accumulator and Equimax Estate Builder policies that qualify as Producer and Producer Related as defined in the Schedule "A" Commission Schedule effective February 10, 2020.
- These changes are based on an effective date of February 10, 2020.
- The commission rates credited and the chargeback schedule that applies will depend on the issue date of the policy.

To make the transition as smooth as possible, please take a moment to review the information below. Commission rates and chargeback schedule will apply based on the issue date of the Wealth Accumulator policy regardless of when or how the application is received.

WHAT COMMISSION RATES AND CHARGEBACK APPLY FOR EQUIMAX WEALTH ACCUMULATOR?

All applications for **Equimax Wealth Accumulator** signed and received at our Waterloo head office will be handled as outlined below.

All commissions will be credited or debited for the **Equimax Wealth Accumulator** policy as outlined in the applicable Schedule "A" Commission Schedule. The summary below is for information purposes only.

Policy issue date is prior to February 10, 2020	Policy issue date is February 10, 2020 or later																				
<p>Commission rates that will apply</p> <table border="1"> <thead> <tr> <th>Policy Year</th> <th>Commission rate credited on qualifying premiums</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>55%</td> </tr> <tr> <td>2-3</td> <td>10%</td> </tr> <tr> <td>4-10</td> <td>2%</td> </tr> <tr> <td>11+</td> <td>1%</td> </tr> </tbody> </table> <p>The 2019-2 illustration system will show estimated commission based on this schedule.</p>	Policy Year	Commission rate credited on qualifying premiums	1	55%	2-3	10%	4-10	2%	11+	1%	<p>Commission rates that will apply</p> <table border="1"> <thead> <tr> <th>Policy Year</th> <th>Commission rate credited on qualifying premiums</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>50%</td> </tr> <tr> <td>2-4</td> <td>5%</td> </tr> <tr> <td>5-10</td> <td>2%</td> </tr> <tr> <td>11+</td> <td>1%</td> </tr> </tbody> </table> <p>The 2019-2 illustration system will over-estimate commissions in years 1, 2 and 3.</p>	Policy Year	Commission rate credited on qualifying premiums	1	50%	2-4	5%	5-10	2%	11+	1%
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This schedule will also continue to apply to all Producer and Producer Related Wealth Accumulator and Estate Builder policies issued on or after February 10, 2020.	

BACKDATING TO SAVE AGE

A policy can be backdated up to six months to save age; this will change the issue date of the policy. The commission rates and chargeback schedule that will apply are as defined in the table above (and are based on the issue date).

NEW COMMISSION SCHEDULE WILL BE AVAILABLE ON EQUINET JANUARY 28, 2020

The new Schedule “A” Commission Schedule will be posted to secure EquiNet; you will need to login to view it.

NEW ILLUSTRATION SOFTWARE WILL NOT BE AVAILABLE

The Estimated Commission Report in the 19-2 version of the illustration software will be incorrect and over-estimate the commission on Wealth Accumulator policies issued on or after February 10, 2020. Changes will be made to the illustration system to reflect the changes to the commissions for Wealth Accumulator and will be included in the 2020-1 release (date is not known at this time).

WHO CAN YOU CONTACT FOR MORE INFORMATION?

Contact your Regional Sales Manager for more information on these changes and other sales ideas. If you require clarification on other administrative details, please contact your Equitable Life Regional Service Representative:

Western	Eastern
1-800-668-4095	1-800-668-4095
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British Columbia	Ontario
Alberta	Quebec
Manitoba & Northwestern Ontario	Atlantic Canada
Saskatchewan	

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