

F&G Annuities & Life

Two Ruan Center
601 Locust Street, 14th Floor
Des Moines, IA 50309

Life Compensation Schedules

Effective Date: 11/04/2019

The Following are Authorized Contracts and the compensation payable:

Indexed Universal Life

Contract Type	FG Life-Elite (MEUL3) Issue Age 0-17				FG Life-Elite (MEUL3) Issue Age 18-75			
	First Year	Renewal Year 2-10	Excess 1st yr	Service Fee Years 11-20	First Year	Renewal Year 2-10	Excess 1st yr	Service Fee Years 11-20
LE	77.500%	1.750%	1.750%	0.000%	100.000%	2.750%	1.750%	0.000%

Contract Type	F&G Everlast (EVIUL) Issue Age 0-17				F&G Everlast (EVIUL) Issue Age 18-80			
	First Year	Renewal Year 2-10	Excess 1st yr	Service Fee Years 11-20	First Year	Renewal Year 2-10	Excess 1st yr	Service Fee Years 11-20
LE	77.500%	1.750%	1.750%	0.000%	95.000%	2.750%	1.750%	0.000%

Contract Type	F&G Pathsetter (PSIUL) Issue Age 0-17				F&G Pathsetter (PSIUL) Issue Age 18-80			
	1st Yr	Renewal Year 2-10	Excess 1st yr	Service Fee Years 11-20	1st Yr	Renewal Year 2-10	Excess 1st yr	Service Fee Years 11-20
LE	77.500%	1.750%	1.750%	0.000%	100.000%	2.750%	1.750%	0.000%

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Notes :

*Excess rate is paid on premium that exceeds commission target premium in the first policy year.

**F&G Everlast – First Year Rate is payable up to commission target premium in the first 2 policy years.

**FG Life-Choice – First Year Rate is payable up to commission target premium in the first 2 policy years.

**FG Life-Elite – First Year Rate is payable up to commission target premium in the first policy year.

*** Renewals – Rates Payable in Years 2 through 10.

INCORPORATION OF TERMS OF AGENCY SELLING AGREEMENT AND INSURANCE PRODUCER AGREEMENT

This Compensation Schedule incorporates all of the terms of the Agency Selling Agreement and Insurance Producer Agreement, and any addenda thereto currently in effect, as any or all of them may be amended from time to time. To the extent that the Agency Selling Agreement and the Insurance Producer Agreement conflict with this Compensation Schedule, this Compensation Schedule shall control for purposes of determining compensation. This Compensation Schedule may be amended at any time, prospectively or retroactively. Unless otherwise specified, Commissions are earned at a rate of .08333% per month.

BASIC COMMISSIONS - Basic Commissions may be paid only for the sale of insurance products which the Company may lawfully issue, and which are described in this Compensation Schedule, which products are the "Authorized Contracts." This Compensation Schedule, as amended from time to time, is available via SalesLink. Payment of Basic Commissions is subject to the restrictions placed upon you and Producers appointed to you by (i) the laws and regulations of the jurisdictions where the Agency is licensed; and (ii) the Company's policies and procedures including but not limited to its underwriting rules and the terms and conditions of this Compensation Schedule, all as they presently exist and as they may be amended from time to time. The Company has the right to decline any application for any contract or other product for any reason, in its sole discretion, and to return any money submitted to the applicant.

Basic Commissions are calculated as percentages of premiums received and accepted by the Company, subject to the other provisions herein contained. Basic Commissions on additional policies and riders hereafter offered by the Company shall be payable at rates to be furnished by the Company, which rates are subject to change at any time. Any policies in force shall be subject to the commission and commission chargeback provisions set forth in the most recent Compensation Schedule. Commissions shall not be paid on any premiums waived or paid by the Company.

COMMISSIONS FOR INCREASES - On Universal Life plans, additional commissions will be paid following a non-automatic increase in the specified amount of coverage. All such additional commissions will be based on the difference between the prior commissionable target premium and the new commissionable target premium and will be paid only where there is an increase in the specified amount of coverage at the insured's attained age. For example, if an insured who purchased a policy with a \$100,000 death benefit, increases the death benefit to \$200,000, additional commissions will be paid based on the amount of the \$100,000 death benefit increase.

COMMISSIONS FOR TERM CONVERSIONS - Term conversions are available after the policy's first anniversary. Term policies may be converted through the date shown for each individual policy until the conversion privilege ends. Term Policies may be converted to a product or a "plan" being offered by the Company for this purpose. Depending on the product being converted from and converted to, reduced commissions may apply.

Converting from Home Certain and Your Term products will automatically result in a 50% reduction in commissions. Converting from Value Select and Savers Select to Indexed Universal Life products will automatically result in a 50% reduction in commissions.

Term Conversion commissions may be reduced by the Company for policies originally submitted by an agent who is no longer appointed with the Company by reducing the commissions paid to the agent or

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producer currently working with the conversion client. Life conversions will generate commissions for any licensed agent or producer in good standing with the Company. Any other conversions will be considered internal replacements, which do not generate commissions.

The Company will pay commissions on a level basis only for all term life policies for which the annual premium exceeds \$50,000 and/or for all flexible premium universal life policies for which the annual commissionable target premium exceeds \$50,000.

COMMISSION CHARGEBACKS

A. Commission Chargebacks applicable to all policies. All commissions will be charged back for any policy which is: (i) not accepted by the purchaser; (ii) returned by the purchaser before the expiration of a "free look" period; (iii) not accepted by the Company for any reason; (iv) cancelled or rescinded by the Company or which the Company authorized surrender of, for any reason; (v) determined by the Company to require a return of premiums paid by an insured, for any reason; (vi) subject to advance payment to any producer or agent, but only if the producer or agent's affiliation with the Company is terminated, by the producer or the agent or the Company, for any reason, before the expiration of the period for which advance payment has been made; (vii) mistakenly paid to any producer or agent, due to the Company's error or otherwise; (viii) any situation in which the producer or agent fails to conform to applicable state regulations and /or Company policies and procedures (as determined by the Company, in its sole discretion); or (ix) any situation in which the producer or agent fails to reasonably cooperate with the Company. In the case of (vi) above, the producer or agent will be charged back the pro-rated amount covering the advance payment for the period during which the producer or agent was not affiliated with the Company, except if the producer or agent is terminated for cause in accordance with the Insurance Producer Agreement or Agency Selling Agreement, in which case all advance payments will be charged back.

B. Additional Commission Chargebacks applicable to all policies with total commissions of less than \$25,000.00 In addition to the Commission Chargebacks applicable to all policies set forth in A(i) through A(ix) above which are incorporated here by reference, and notwithstanding any contrary provision(s) contained in the Insurance Producer Agreement, all commissions on all policies which generate total commissions of less than \$25,000.00 will be charged back as follows for any lapse, full or partial surrender during the first 12 months from date of issue. Commission Chargebacks applicable to policies with total commissions of less than \$25,000 will be pro-rated during the first year following policy issuance, unless the premium was not paid or has been returned, or the policy is rescinded, in which case the entire Commission will be charged back.*

C. Additional Commission Chargebacks applicable to all policies with total commissions of \$25,000.00 or more In addition to the Commission Chargebacks applicable to all policies set forth in A(i) through A(ix) above which are incorporated here by reference, and notwithstanding any contrary provision(s) contained in the Insurance Producer Agreement, all commissions on all policies which generate total commissions of \$25,000.00 or greater will be charged back for any lapse, full or partial surrender during the first 24 months from date of issue.*

D. These chargeback terms are effective January 1, 2018 for all policies issued both before and after that date.

**Please note that in some instances, the Company may pay a first-year commission in an amount that exceeds the first annual premium. For example, a policy with a \$20,000 premium may result in a commission payment of \$25,000. In such a circumstance, the entire amount of the commission will be charged back. Please contact Agency Services for details.*

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