

For all of the following commission rules “policy(ies) or rider(s) in this Company” means any policy(ies) or rider(s) of Assurity or any of its affiliates, and any policy(ies) or rider(s) assumed or reinsured by Assurity or any of its affiliates.

COMMISSION. Applies to policies issued on applications personally obtained by Agent or by Agents appointed in an Agent’s hierarchy. In the case of business obtained by subagents in the Appointing Agent’s hierarchy, the commission payable to the Appointing Agent will be the amount shown on the Appointing Agent’s Commission Schedule less any commissions payable to the subagent(s).

- a. **PAYMENT OF COMMISSIONS.** Commissions earned and due shall be payable only as premiums are received, accepted and applied by the Company.
- b. **RIDER COMMISSIONS.** The same rate of commission applies to riders as to the base policy to which such riders are attached except any rider for which a separate commission is shown (*See Commission Schedule*). The Wellness Benefit Rider and the Accident-Only Disability Income Rider are non-commissionable.
- c. **RETURN OF COMMISSIONS.** Repayment of commissions paid on unearned premiums due to lapsed, surrendered or terminated policies will be required.
- d. **REINSTATEMENTS.** Commissions for reinstated policies will be paid at the same rates as would apply had the policy remained continuously in force from the date of issue.
- e. **CONVERSIONS.** For term policies or term riders converted to any permanent form, first-year and renewal commissions will be allowed. However, no first-year commissions will be allowed on conversion credits used to pay first-year premium. For conversions from group life certificates to individual permanent life coverage, first-year and renewal commissions on the premium for the new policy will be allowed only if the application **was personally obtained by the Appointing Agent or subagent(s) in the Appointing Agent’s hierarchy. Commissions payable on all other conversions shall be limited by and subject to the practices of the Company at the time conversion is affected.**
- f. **COMMISSIONS ON INTERNAL REPLACEMENTS.** A newly issued policy of any type and its riders will be considered an internal replacement whenever another policy or rider in this Company on the Insured has been surrendered, lapsed or been continued on a nonforfeiture option during the 12 months preceding or the 12 months following the date of issue of the new policy or rider. If another policy or rider in this Company has been changed, modified or converted in any manner, so that some portion of the policy or rider has in effect been lapsed, surrendered or continued **under a nonforfeiture option, a portion of the newly issued policy may be considered an “internal replacement.”**

If under the above rules, a new policy or rider is an internal replacement, the standard renewal commission rates and duration will apply to the total premium, Notwithstanding the above, no commissions will be paid on net cash values transferred from existing policies or riders in this Company to any policies or riders in this Company whether obtained by surrender, borrowing or any other internal transfer. “Net cash values” for life policies means surrender value (*excluding dividend values*).