

REMOVAL OF LOW LOAD AND DEFERRED SALES CHARGE OPTIONS FREQUENTLY ASKED QUESTIONS

NEW PIVOTAL SELECT APPLICATIONS WITH DSC AND LL

What is the closing date for submitting a new application with DSC or LL?

EZcomplete® applications must be signed, submitted and in good order by no later than May 26, 2023, at 11:59 p.m. and the money received at Equitable Life® by no later than May 31, 2023. Paper applications must be signed by May 26, 2023, and be received at Equitable Life in good order along with the money by no later than May 31, 2023.

What if the application is signed but not submitted by the deadline?

EZcomplete applications fully signed but not submitted by the deadline will be automatically submitted on May 27, 2023. Paper applications that are received after May 31, 2023, will not be eligible for DSC or LL sales charge deposits. The advisor will need to update the application to funds in the NL, CB or CB5 sales charge option and have the client initial the changes.

What if the EZcomplete application is started, but not fully signed by the deadline?

EZcomplete applications that are not fully signed by the deadline will require revisions to the application, including reviewing sales charge options and new application wording, and will require all signatures to be regenerated.

Will there be a new paper application version, and which version(s) will you accept?

A new paper version of the application will be available as of May 27, 2023 (version 2023/05/29). Equitable Life will continue to accept the previous version of the application (version 2022/07/28).

EXISTING PIVOTAL SELECT SEGREGATED FUNDS

Is any action required by advisors or clients related to the elimination of DSC/LL charges?

No action is required by the client. Advisors should use this opportunity to connect with clients to make sure they are aware of the change, including instructions for future deposits.

If a policyowner is invested in funds with DSC or LL sales charges, will they be allowed to make additional deposits to DSC or LL?

No. Additional deposits to DSC or LL will not be allowed after May 26, 2023.

What happens to a client's pre-authorized debit that is currently being invested in the DSC or LL sales charge options?

Beginning May 29, 2023, all pre-authorized payment instructions will be updated to the NL sales charge option using the same investment instructions.

If a policyowner is already invested in funds with DSC or LL sales charges, are those funds affected?

No. Any existing amounts held in DSC or LL funds are not affected and will retain the existing deferred sales charge schedule outlined in the client's contract. The annual 10% available, 20% for RIF policies, for withdrawal without fees continues to apply through to the expiry of the fee schedule.

If a client has existing units in the DSC or LL sales charge options, can they make deposits to funds within the CB or CB5 sales charge option?

DSC and LL sales charge options cannot be combined with CB or CB5 sales charge option. If a client wishes to make deposits to funds in the CB or CB5 sales charge option, and the existing deposit has units in DSC or LL, a new application will need to be submitted.

What will happen with a client's existing holdings that were invested in the DSC or LL sales charge options up to May 29, 2023?

The units in these funds will remain invested in the corresponding DSC or LL sales charge options. The DSC schedule will continue to apply to these funds.

What happens if a client's future deposit instructions are directed to DSC or LL sales charge options?

Beginning May 29, 2023, all future deposit instructions will be updated to the NL sales charge option using the same investment instructions.

Can a client still switch existing funds in the DSC or LL sales charge options to other funds in the DSC or LL sales charge option?

Any funds currently invested in the DSC or LL sales charge option may continue to be switched to other funds in the corresponding DSC or LL sales charge option.

A client is transferring funds from another company with DSC deposit instructions. The funds will arrive on or after May 29, 2023. Can I change the default NL sales charge option to another sales charge option?

If a client has existing units in DSC or LL funds, future deposits must be made to the NL sales charge option. CB and CB5 sales charge options cannot be combined with DSC or LL.

A client is transferring funds from another company with DSC deposit instructions. Will the DSC deposit instructions be honoured if the funds are received after May 29, 2023?

No. The funds will be deposited in the same funds however, the NL sales charge option will be applied.

What happens if a client is currently investing through dollar-cost averaging into funds with a DSC or LL sales charge option?

Any funds already invested in the DSC or LL sales charge option can continue to be directed to other funds under the corresponding DSC or LL sales charge option through dollar-cost averaging.

Will the update in legislation regarding DSC elimination be communicated to clients?

Clients received a letter with their December 31, 2022, statements providing information about the changes. This included notification about pre-authorized debit instructions and future deposit allocations being updated to the NL sales charge option. A copy of the letter sent to Pivotal Select™ clients can be accessed [here](#).

Will forms and marketing materials be updated to reflect this legislation?

Yes. As of May 29, 2023, all forms and marketing materials will be updated on our website to reflect this legislation.

LEGACY SEGREGATED FUNDS

What legacy segregated fund products will continue to allow deposits to DSC funds?

The following Equitable Life products have an exception that allows deposits to continue to DSC funds:

- Personal Investment Portfolio
- Pivotal Solutions II
- Pivotal Solutions DSC

Will DSC charges be applied if the client makes a withdrawal?

Yes. Any new segregated fund deposits, as well as any existing segregated fund amounts within their policy, will retain the deferred sales charge schedule outlined in the contract.

What if a client who owns one of these policies wants to invest in a different sales charge option?

Clients may submit a new application for Pivotal Select, which offers NL and CB and CB5 sales charge options, subject to Equitable's administrative rules.

Will the update in legislation regarding DSC elimination be communicated to clients?

Clients received a letter with their December 31, 2022, statements providing information about the changes and outlining the options available. A copy of the letter sent to legacy segregated fund clients can be accessed [here](#).

SUPPORT

What support is available if I need assistance?

For more information or questions, contact your Regional Sales Manager or Equitable Life's Advisor Services Team.

Advisor Services Team Contact Information

Savings and Retirement

Phone: 1.866.884.7427

Email: SavingsRetirement@equitable.ca