

C. Persistency Bonus

At the expiration of the Commission Payment Period, Brokers/Insurance Agencies are entitled to receive a Persistency Bonus. The Persistency Bonus will be calculated based on paid renewal Premium (such Premiums are to be designated as "Eligible Renewal Premiums") during the accounting year for Policies in force at the end of the accounting year.

The Persistency Bonus on Eligible Renewal Premiums on individual life insurance business will be calculated at rate of 5% (Except "ManuGrand Saver" and "ManulImperial Saver" which will be calculated at rate of 1%) of Eligible Renewal Premiums and will be paid to the Broker/Insurance Agency in one lump sum in the Company's following accounting year. Please refer to "Schedule of Commissions & Bonuses" for products entitled to Persistency Bonus. Conservation requirement is also applied, please refer to 2B.

B. Conservation Requirement

B.1 This requirement is only applied to bonuses of the IFP business.

B.2 To qualify for full bonuses, the Broker / Insurance Agency must have a minimum average conservation rate of 90%. If the average conservation rate is from 85% to less than 90%, the bonus payable will be reduced by 25%. Should the average conservation rate be less than 85%, no bonus will be payable.