



DSC/Transfer Fee Recovery Program

1. What is the DSC/Transfer Fee Recovery Program?

The DSC/Transfer Fee Recovery Program allows advisors to reimburse their clients for Deferred Sales Charges (DSC) and transfer fees that have been incurred because of moving from another financial institution to an Equitable segregated fund contract.

2. How does the program work?

An advisor can reimburse a client for DSC or transfer fees incurred by submitting the following requirements to Equitable:

- A cheque covering all or a portion of the DSC/transfer fee charges (issued by the advisor or MGA – one cheque submitted to Equitable only). DSC/transfer fee recovery amounts higher than the DSC/transfer fee amount charged will NOT be accepted.
- Cheque must be received within 30 days from the transfer of assets.
- The completed DSC/Transfer Fee Recovery Program form #1605.
- Proof of the transferring company's DSC/transfer fee incurred (see question #6 for additional details).

3. What types of investments are eligible for the DSC/Transfer Fee Recovery Program?

- Any investment that has incurred DSC or transfer charges because of being transferred to Equitable (including mutual funds or segregated funds).
- The incoming transfer and the DSC/transfer fee recovery amount may be deposited to any segregated fund sales charge option.
- Equitable internal transfers are not eligible under this program.

4. How will the DSC/transfer fee recovery be treated for tax purposes within a RRSP or TFSA contract?

The DSC/transfer fee recovery of funds will be treated as a transfer into the contract and will be considered a non-receiptable/non-reportable deposit. DSC/transfer fee recovery funds will not affect TFSA/RRSP contribution room.



5. What is required to prove the DSC/transfer fee amount charged by the transferring company?

Equitable will accept written documentation from the transferring company that clearly shows the DSC/transfer fee amount charged for the withdrawal. Examples include a confirmation letter or a copy of a cheque stub from the transferring company showing the DSC/transfer fee amounts. The written documentation must provide:

- The date
- The transferring company's name
- The DSC/transfer fee charged
- The client's name

6. Is there a limit to the DSC/transfer fee amount that can be recovered?

The maximum amount that can be reimbursed to the policy can never exceed the amount of the DSC/transfer fee charged by the transferring company.

If you have questions or would like additional information, our Advisor Services team would be pleased to assist you. You can reach them at 1.800.668.4095, or by emailing savingsretirement@equitable.ca.

Important: Equitable encourages advisors to keep detailed notes in their client files documenting why the switch to a new segregated fund contract is in the best interest of the client. These transactions can attract attention from both regulators and compliance. The detailed notes should contain all impacts of the transfer to your client (positive and negative), and why the decision to move forward was made.

NOTE: PROGRAM NOT ALLOWED IN THE PROVINCE OF QUEBEC. FOR ADVISOR USE ONLY