



SMI CONSUMER DISCLOSURE

SMI's products are distributed exclusively through an independent broker network throughout the three Prairie Provinces. These brokers have contracts with us to market our products and to renew and service existing insurance policies sold through their brokerages. Many of these brokers also market other companies' products and services. Independent insurance brokers are licensed professionals and are regulated by the province they do business in. We believe in the independent brokerage system as we feel that they are the consumer's best choice to help the consumer make informed decisions about the type and quality of insurance products they require. SMI does not own either directly or indirectly or have any financial links with any of its brokers.

SMI provides a basic commission to these brokers for each new policy, renewal, and endorsement sold. This basic commission, a percentage of the premium charged, pays for the service the broker provides to you, the consumer. SMI's rates of commission in accordance with the broker's agency agreements are as follows:

Alberta Commercial Property and Casualty Business	20%
Farm Business	20%
Habitational Business	20%
Equipment Breakdown – Farm & Commercial policies	15%
Recreational Vehicle Business	20%

Manitoba Commercial Property and Casualty Business	20%
Farm Business	20%
Habitational Business	20%
Equipment Breakdown – Farm & Commercial policies	15%
Auto Business	25%
SPF4 Garage Liability	12.5%

Saskatchewan Commercial Property and Casualty Business	20%
Farm Business	20%
Habitational Business – All Provinces	20%
Equipment Breakdown – Farm & Commercial policies	15%
Auto Business	15%
SPF4 Garage Liability	15%

SMI provides its brokers with a Contingent Profit Plan. SMI may pay up to 4% of the broker's current year written premiums, based on the broker's three year average for profitability and minimum volume requirements. Brokers who are managing general agents may receive up to 4.5%.