



The Standard[®]
Positively different.

Premium Rewards

Producer Bonus Program



Our Premium Rewards Producer Bonus Program

Thank you for placing your trust in Standard Insurance Company to provide your clients with quality group insurance products and services. As a national leader in the employee benefits industry, The Standard recognizes that you, our producers, are integral to our success. We are committed to you and believe that we can best demonstrate how much we value your business by offering you a lucrative and straight-forward compensation system.

Our Premium Rewards Producer Bonus Program was designed to provide you with one of the most competitive bonus programs in the industry. It compensates you for both new and renewal group insurance business and offers incentives for higher premium, as well as for retention of business. This brochure outlines the features of our current program and the qualifications for increasing compensation levels.

New Business Bonus

It pays to place new business with The Standard. As listed in the chart below, your bonus payment percentage increases according to the level of new premium credits. And you can increase your compensation from The Standard by earning additional new premium credits throughout the year.

Note: New business that you generate with our sister company, The Standard Life Insurance Company of New York, will be combined with your Standard Insurance Company sales for the purpose of calculating your bonus. However, separate checks will be drawn from each company based on the bonus calculations.

| Level | New Premium Credits | Bonus Payment = Percentage of Annualized Premium |
|-------|---------------------|--|
| 1 | \$25,000 | 2.0% |
| 2 | \$100,000 | 2.5% |
| 3 | \$250,000 | 3.0% |
| 4 | \$500,000 | 3.5% |
| 5 | \$1,000,000 | 4.0% |
| 6 | \$2,000,000+ | 5.0% |

Features

- **Eligibility:**
 - The original selling producer is eligible for the New Business Bonus.
 - A minimum of three new Group Life and/or Long Term Disability (LTD) cases must be written during the calendar year. Voluntary coverages do not qualify to meet these eligibility requirements.
 - To retain eligibility, each case must remain in force for the remainder of the calendar year; revocation would result in a debit (case eligibility is determined by The Standard).
- **Payment Frequency:** The New Business Bonus is paid quarterly.
- **Premium Credits:** Premiums are credited at 100 percent for Group Life, Accidental Death and Dismemberment (AD&D), LTD, Short Term Disability (STD), Executive Benefits, Voluntary LTD, Voluntary STD, Voluntary Life and State Disability insurance. Premiums are credited at 50 percent for Group Dental insurance. When sold with new Group Life coverage during the same calendar year, Additional Life, Dependents Life and Supplemental Life insurance receive 100 percent premium credits.
- **Incentive for Increased Business:** The higher the premium, the greater the bonus. Bonus payment levels are retroactive as your production increases.
- **Exclusions:** Administrative Services Only (ASO), Advice to Pay (ATP) and Select Claim policies are excluded. The Standard SelectSM, SST[®] and Quality Group Benefits Trust policies are not included as they have separate bonus plans.
- **Non-commissioned Cases:** New Business Bonus may include non-commissioned cases if approved by The Standard prior to release of final proposal.
- **Bonus Splits:** As the premium credits are equal to the percent of commission received by each producer on a case, bonus splits are easily accommodated.
- **New Business Bonus Cap:** The amount of New Business Bonus paid for each line of coverage is capped at two times our most current level-graded commission scale.

Persistency Bonus

Our program rewards you for the block of business you maintain with The Standard, as well as for placing new clients with us. As outlined in the chart below, the Persistency Bonus increases as you retain and grow your in force premium with us.

Note: Existing business that you maintain with our sister company, The Standard Life Insurance Company of New York, will be combined with your Standard Insurance Company in force business for the purpose of calculating your bonus. However, separate checks will be drawn from each company based on the bonus calculations.

| End of Current Year In Force Premium | Block Retention 91.0-94.9% | Block Retention 95.0-98.9% | Block Retention 99.0+% | New Business Bonus Qualifications Required |
|--------------------------------------|----------------------------|----------------------------|------------------------|--|
| \$100,000 | .60% | .70% | .80% | Yes |
| \$250,000 | .60% | .70% | .80% | No |
| \$500,000 | .75% | .85% | .95% | No |
| \$1,000,000 | .90% | 1.00% | 1.10% | No |
| \$2,000,000+ | 1.05% | 1.15% | 1.25% | No |

Features

- **Eligibility:** A minimum of three Group Life and/or LTD cases in force on December 31 of the preceding year must remain in force on December 31 of the year for which the Persistency Bonus is calculated and assigned to you as the producer of record during the period (case eligibility is determined by The Standard). Voluntary coverages do not qualify to meet these eligibility requirements.
- **Payment Frequency:** The Persistency Bonus is paid annually.
- **Premium Credits:** Premiums are credited at 100 percent for Group Life, AD&D, LTD, STD, Executive Benefits, Voluntary LTD, Voluntary STD, Voluntary Life and State Disability insurance. Premiums are credited at 50 percent for Group Dental insurance. When sold with existing Group Life coverage, Additional Life, Dependents Life and Supplemental Life insurance receive 100 percent premium credit. Persistency Bonus includes only fully insured group cases on which The Standard is paying commissions.
- **Incentive for Increased Business:** The higher the block retention and premium, the higher the Persistency Bonus. Our program recognizes growth of your block of premiums due to composition changes, rate adjustments and retention of cases. Block retention is calculated as premium in force on December 31 of current year, excluding current year new sales, divided by premium in force on December 31 of preceding year.
- **Exclusions:** Cases that transfer from a producer and are retained by The Standard are excluded from the Persistency Bonus calculation but included in the Block Retention calculation. Cases that transfer to a producer during the year will not be included in either Block Retention or Persistency Bonus calculations for that year. ASO, ATP, Select Claim and non-commissioned plans are excluded. The Standard SelectSM, SST[®] and Quality Group Benefits TrustSM policies are not included as they have separate bonus plans.
- **Persistency Bonus Cap:** The amount of Persistency Bonus paid for each line of coverage is capped at one times our most current level-graded commission scale.

Contact your local Employee Benefits Sales and Service Office representative today at 800.633.8575 to see how you can progressively increase your compensation with The Standard throughout the year.

Current Level-graded Commission Scales

Below is a reference to the commission scales used to calculate a bonus cap.

Long Term Disability and Voluntary LTD

| Annual Premium | Commission |
|-----------------------------------|------------|
| First \$15,000 (\$0 – 15,000) | 15% |
| Next \$10,000 (\$15,001 – 25,000) | 10% |
| Next \$25,000 (\$25,001 – 50,000) | 5% |
| Amount over \$50,000 | 1% |

Group Life, AD&D, Voluntary Life, STD, Voluntary STD, Additional Life, Dependents Life and Supplemental Life

| Annual Premium | Commission |
|--------------------------------------|------------|
| First \$2,000 (\$0 – 2,000) | 15% |
| Next \$8,000 (\$2,001 – 10,000) | 10% |
| Next \$15,000 (\$10,001 – 25,000) | 6% |
| Next \$25,000 (\$25,001 – 50,000) | 4% |
| Next \$50,000 (\$50,001 – 100,000) | 2% |
| Next \$150,000 (\$100,001 – 250,000) | 1% |
| Amount over \$250,000 | 0.5% |

For any combination of Group Life, Additional Life, Dependents Life and Supplemental Life, combine the annual premiums of these products prior to calculating the commission. AD&D, STD, Voluntary STD and Voluntary Life commissions are calculated separately.

Executive Benefits

| Policy year | Commission |
|-------------|------------|
| First | 50% |
| Years 2–10 | 15% |

Group Dental

| Annual Premium | Commission |
|--|------------|
| First \$5,000 (\$0 – 5,000) | 10% |
| Next \$5,000 (\$5,001 – 10,000) | 6.5% |
| Next \$10,000 (\$10,001 – 20,000) | 3% |
| Next \$10,000 (\$20,001 – 30,000) | 2.5% |
| Next \$20,000 (\$30,001 – 50,000) | 2% |
| Next \$50,000 (\$50,001 – 100,000) | 1.5% |
| Next \$50,000 (\$100,001 – 150,000) | 1% |
| Next \$350,000 (\$150,001 – 500,000) | 0.7% |
| Next \$500,000 (\$500,001 – 1,000,000) | 0.5% |
| Next \$4,000,000 (\$1,000,001 – 5,000,000) | 0.3% |
| Amount over \$5,000,000 | 0.1% |

Actual commissions paid are subject to the terms and conditions of the Omnibus Group Commission Agreement.

Our Employee Benefits Products and Services

- Group Long Term Disability Insurance
- Group Short Term Disability Insurance
- Executive Benefits Disability Insurance
- Group Dental Insurance
- State Disability Insurance
- Voluntary Life, LTD, STD and Dental Insurance
- Buy-up LTD and STD Insurance
- Group Life Insurance
- Accidental Death & Dismemberment Insurance
- Additional Life Insurance
- Supplemental Life Insurance
- Dependents Life Insurance
- Family/Medical Leave Administration
- ProductivityFirstSM Absence Management Program



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