

Premium Rewards Producer Bonus Program

We Make Business More Rewarding For You



Standard Insurance Company





We're Committed To Your Success

We understand you work hard — and you deserve to be well-rewarded. That's why we have improved our programs: to maximize the return on your efforts.

Here's how we've enhanced our Premium Rewards Producer Bonus Program:

- Simplified levels of qualification
- More ways to qualify — we've added STD, SDI, Dental and GSI for coverage eligibility in addition to Group Life and LTD
- Lowered Persistency requirements on block retention
- Dental now credited at 100 percent

Products And Services

- Group Long Term Disability Insurance
- Group Short Term Disability Insurance
- Buy-up LTD and STD Insurance
- Guaranteed Standard Issue Individual Disability Insurance
- State Disability Insurance
- Group Life Insurance
- Additional Life Insurance
- Dependents Life Insurance
- Supplemental Life Insurance
- Accidental Death and Dismemberment Insurance
- Group Dental Insurance
- Group Vision Insurance
- Group Services (including Family Medical Leave Administration)
- Voluntary Life, LTD, STD, Dental and Vision Insurance

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



It Pays To Work With The Standard

Our Premium Rewards Producer Bonus Program provides you with one of the most competitive bonus plans in the industry. This straightforward program compensates you for both new and renewal group insurance business and offers incentives for higher premium as well as for retention of business.

New Business Bonus*

We appreciate your commitment to placing your clients with The Standard. We offer the New Business Bonus as a way to recognize and reward your success. As you'll see 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.

Level	New Premium Credits	Bonus Payment = % of Annualized Premium
1	\$50,000 - \$99,999	2.0
2	\$100,000 - \$249,999	2.5
3	\$250,000 - \$499,999	3.0
4	\$500,000 - \$999,999	3.5
5	\$1,000,000 - \$1,999,999	4.0
6	\$2,000,000+	5.0

New Business Bonus Features

We've expanded our program to offer you more ways to qualify for our New Business Bonus. This includes counting all eligible premium at 100 percent.

Eligibility:

- A minimum of four new Group Life, LTD, STD, State Disability Insurance (SDI), Dental or Guaranteed Standard Issue Individual Disability (GSI) coverages must be written during the calendar year
- To qualify, the original selling producer must have sold at least \$50,000 in annualized premium after accounting for commission splits
- To retain eligibility, each coverage must remain in force for the remainder of the calendar year – revocation will result in a debit. Coverage eligibility is determined by The Standard.
- We've got you covered, even if there's a broker of record change, the coverage credit remains with you, the original selling producer

* New and/or existing 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 and/or in force business for the purpose of calculating your bonus. However, separate checks will be drawn from each company based on the bonus calculations.



Payment Frequency: Quarterly

Premium Credits:

- Premiums are credited at 100 percent for Group Life, Accidental Death and Dismemberment, LTD, STD, Dental, Vision, GSI, SDI and Group Services
- 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 Coverage: Included in the New Business Bonus 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 coverage, bonus splits are easily accommodated

New Business Bonus Cap: We pay up to \$30,000 per line of coverage

Persistency Bonus*

We also appreciate the work you put into maintaining and growing your block of business with The Standard. So we've made it easier to qualify for our Persistency Bonus, by lowering the requirements on block retention. You'll earn more rewards as you retain and increase your in force premium with us. The chart below outlines your bonus potential.

End of Current Year In Force Premium	Block Retention 88.0% - 91.9%	Block Retention 92.0% - 94.9%	Block Retention 95.0% and above	New Business Bonus Qualification
\$100,000 - \$249,999	.60%	.70%	.80%	Yes
\$250,000 - \$499,999	.60%	.70%	.80%	No
\$500,000 - \$999,999	.75%	.85%	.95%	No
\$1,000,000 - \$1,999,999	.90%	1.00%	1.10%	No
\$2,000,000+	1.05%	1.15%	1.25%	No

Persistency Bonus Features

Eligibility:

- A minimum of four Group Life, LTD, STD, SDI, Dental or GSI coverages 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. Coverage eligibility is determined by The Standard. Voluntary Trust coverages do not qualify to meet these eligibility requirements.
- To qualify, the producer must be broker of record at year-end on coverages that were in force the entire year, and have at least \$100,000 in annualized billed premium in effect on those same coverages at the end of the bonus year after accounting for commission splits

Payment Frequency: Paid annually after the first quarter of the following year

Premium Credits:

- Premiums are credited at 100 percent for Group Life, AD&D, LTD, STD, Dental, Vision, GSI, SDI, Voluntary Trust and Group Services
- 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 coverages 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 coverages
- 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:

- Coverages 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
- Coverages 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 Trust policies are not included as they have separate bonus plans

Persistency Bonus Cap: We pay up to \$30,000 per line of coverage

* New and/or existing 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 and/or in force business for the purpose of calculating your bonus. However, separate checks will be drawn from each company based on the bonus calculations.



For more than one hundred years we have been dedicated to our core purpose: to help people achieve financial security so they can confidently pursue their dreams. We have earned a national reputation for quality products and superior service by always striving to do what is right for our customers.

Headquartered in Portland, Oregon, The Standard is a nationally recognized insurance provider of group Disability, Life, Dental and Vision insurance and Individual Disability insurance. We provide insurance to nearly 26,000 groups covering more than 8.7 million employees nationwide.* Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

To learn more about The Standard, contact your insurance advisor, call the Employee Sales and Service Office for your area at 800.633.8575 or visit us at **www.standard.com**.

* As of June 30, 2010, based on internal data developed by Standard Insurance Company.

The producer bonus program outlined in this brochure is subject to change. This brochure is not to be construed as a contract between you and The Standard. Please refer to your broker contract and compensation schedules for specific details. The Standard reserves the right to alter the producer bonus program at any time, subject to contract limitations.

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