



Disclosure of Payment of Commissions and Service Fees

We have appointed GALLAGHER BENEFIT SERVICES, INC. as our broker/consultant of record in connection with the policy, as of its effective date, and continuing unless and until we notify the insurance company in writing of revocation of this appointment. Any revocation of appointment, or designation of a new broker/consultant of record, will become effective on the date written notice is received by the insurance company, or such later date as we specify.

We acknowledge that the insurance company will pay commissions to the broker/consultant at the following rates:

| Product | Policy Numbers |
|----------------|-----------------------|
| Life | FLX 963634 |
| Accident | OK 965265 |
| LTD | VDT 960717 |

| Product | Percentage |
|-------------------------|-------------------|
| Life | 0% |
| Effective Date: 11/1/14 | |
| Accident | 0% |
| Effective Date: 11/1/14 | |
| LTD | 0% |
| Effective Date: 11/1/14 | |

We understand and acknowledge that CIGNA Group Insurance companies may have entered into, or may enter into, an agreement with the broker, under which the insurance company compensates the broker for providing marketplace intelligence and other services intended to enhance the effectiveness of the insurance company's business. This additional compensation is contingent on meeting new business and persistency goals.


This compensation is funded from the insurance company's overhead and is based on the broker's overall book of business with the insurance company. Any such payments are separate from commissions and, if applicable, will be included in ERISA Form 5500, Schedule A information provided by the insurance company.

We also understand that the insurance company may invite the broker to participate in events sponsored by the insurance company for the same purposes.

The following describes the compensation available under the program under which your broker is eligible to participate. Terms of the program are subject to change.

- **New Business.** Brokers must write at least \$5,000,000 of new business premium to qualify. Payments made are a percentage of total annualized premium, based on number of new cases sold and annualized premium for those eligible cases, and range from 2% to 4% of the amount of expected first year annualized premium depending on the specific program the broker is eligible to participate in.
- **New Premium Added to Inforce Policies.** Brokers must write at least \$5,000,000 of new business premium to qualify. Payments made are a percentage of total annualized premiums attributable to acquisitions requiring underwriting by the insurance company, and amendments to increase benefits or add eligible classes, and range from 1% to 2% of the amount of expected first year annualized premium depending on the specific program the broker is eligible to participate in.

- **Persistency.** Persistency measures the number of policies (weighted by premium) which were in force at the beginning of the year which are still in force at the end of the year. Payments made are a percentage of total earned premium, and range from 0% to 2% of total aggregate premium for those eligible cases (which is the maximum rate payable, if persistency is 95% or greater) depending on the specific program the broker is eligible to participate in.
- **Cross-Sell.** Payments made are a percentage of total annualized premium for business sold to an existing CIGNA Healthcare or CIGNA International Expatriate Benefits customer OR sold along with a new CIGNA Healthcare medical product or new CIGNA International Expatriate Benefits product to the same customer, and is calculated at 1% of the amount of expected first year annualized premium. In addition, your policies may be used to establish eligibility in the cross-sell programs of CIGNA Healthcare and/or CIGNA International Expatriate Benefits.



Authorized Signature
Williamson County



Date