

PROMOTION & COMPENSATION SCHEDULE

POSITION	HBW LEVEL	PROMOTION REQUIREMENTS
Training Rep	Training Reimbursement	Observe 5 transactions with your manager.
Representative	55%	No production required to maintain position. Commission increases at the Rep level based on increments of \$5,000 in total production*, personal or agency. \$35,000 in production in your entire organization in 1 year OR \$20,000 in gross personal commissions (cash flow), minimum 25 personal cases, & be a Fastrack graduate to be promoted to...
Representative	60%	
Agency Manager	70%	No production required to maintain position. \$50,000 in total production* in your entire organization in 1 year OR \$35,000 in gross personal commissions (cash flow), minimum 40 personal cases, & be a Fastrack graduate to be promoted to...
Senior Agency Manager	80%	No production required to maintain position. \$75,000 in total production* in your entire organization in 1 year OR \$40,000 in gross personal commissions (cash flow), minimum 50 personal cases, & be a Fastrack graduate to be promoted to...
Provisional Agency Vice President	90%	No production required to maintain position. \$100,000 in total production* in your entire organization in 1 year OR \$75,000 in gross personal commissions (cash flow), minimum 50 personal case & be a Fastrack graduate to be promoted to...
Agency Vice President	100%	Promotion Requirements: No production required to maintain position. \$500,000 annual production, no more than 50% from any one leg, personal production counts 100% to be promoted to EVP and be a Fastrack graduate.
Executive Vice President	105%	No production required to maintain position. \$1,000,000 in annual production, no more than 50% from any one leg, personal production counts 100% & be a Fastrack graduate to be promoted to...
National Director of Agencies	110%	No production required to maintain position

SCHEDULE OF GENERATIONAL OVERRIDE COMPENSATION **

LEVEL	AVP over AVP EVP over EVP NDA over NDA	EVP over AVP NDA over EVP	NDA over AVP
1st Level	7%	12%	17%
2nd Level	3%	8%	13%
All Subsequent Levels		5%	10%

NDA ORGANIZATION BONUS

BONUS %	AIG LIFE INSURANCE PRODUCTION	BONUS %	AIG LIFE INSURANCE PRODUCTION	BONUS %	AIG LIFE INSURANCE PRODUCTION	BONUS %	FIXED ANNUITIES COMMISSIONS EARNED
.50%	\$ 50,000+	2.25%	225,000+	4.00%	400,000+	.50%	\$ 100,000+
.75%	75,000+	2.50%	\$ 250,000+	4.25%	425,000+	.75%	150,000+
1.00%	100,000+	2.75%	275,000+	4.50%	450,000+	1.00%	200,000+
1.25%	125,000+	3.00%	300,000+	4.75%	475,000+	1.25%	250,000+
1.50%	150,000+	3.25%	325,000+	5.00%	500,000+	1.50%	300,000+
1.75%	175,000+	3.50%	350,000+			1.75%	350,000+
2.00%	200,000+	3.75%	375,000+			2.00%	400,000+
						2.25%	450,000+
						2.50%	500,000+

- Commissions and Override percentages are based off your HBW Level and the Product Payout. Override commissions on downline agents result from the percentage spread between you and the agents below you. AVP, EVP & NDA levels also receive generational overrides. An AVP can override an EVP or NDA at the AVP level.
- For promotion to all levels every new recruit in any base shop in your hierarchy counts as \$1,000 in premium if they get licensed, produce at least one sale and purchase the Business-in-a-Box and FasTrack Training! Previously licensed reps count only if joining below AVP level in someone's base shop.
- Insurance Commission Schedule based on 20 & 30 Year Level Term through AIG/American General. Commissions, Overrides & Promotional Guidelines may vary based on products and carriers, and may change from time-to-time. Advanced commissions available to qualified agents with certain highlighted carriers, including American General.
- Organization Bonus percentage based on production from entire organization of the first NDA in every hierarchy. NDA's in each hierarchy receive production credit on every downline NDA in their organization. An NDA receives 100% production credit on their direct downline NDA's production. As production credit moves up through the upline NDA's it is reduced by 25% at each level. Production credits are added together and each NDA receives their portion of the bonus based on their percentage of production credit.

* Total production includes 100% of premiums from Life, Disability and Long Term Care. Fixed and Indexed Annuity through CMIC counts 5% of premium collected. 100% of Gross Dealer Concession for Securities***

** 25,000 in annual base shop production, 10,000 annual personal production, or 10 licensed recruits per year is required to maintain overrides

*** Securities offered through HBW Securities LLC, Member NASD/SIPC, 3355 Cochran St Ste 100 Simi Valley CA 93063 (800) 473-3856

HBW Insurance & Financial Services, Inc. is a separate entity from HBW Securities LLC. HBW Securities LLC does not give legal or tax advice.

BASE SHOP BONUS SCHEDULE

ANNUAL BASE SHOP BONUS COMPENSATION SCHEDULE

ANNUAL BONUS LEVELS

\$100,000 - \$249,999	=	5 %
\$250,000 - \$499,999	=	7.5 %
\$500,000 +	=	10 %

EVP BONUS SCHEDULE

ANNUAL EVP BONUS COMPENSATION SCHEDULE

ANNUAL BONUS LEVELS

\$100,000 - \$249,999	=	1 %
\$250,000+	=	2 %

GUIDELINES

- Based on Paid Premium from American General / AIG Only
- Paid Semi-Annually
- After the first 6 months of a calendar year, if an AVP, EVP or NDA has a base shop that has produced a minimum of 50% of the required annual premium to receive a bonus, the AVP, EVP or NDA will receive a bonus based on 50% of the attainable bonus level. If an AVP, EVP or NDA has a base shop that has produced a minimum of 100% of the required annual premium to receive a bonus, the AVP, EVP or NDA will receive a bonus based on 100% of the attainable bonus level.
- At the end of a calendar year, if an AVP, EVP or NDA has a base shop that has produced 100% of the required annual premium to receive a bonus, the AVP, EVP or NDA will receive a bonus based on 100% of the attainable bonus level -- minus what has already been paid.
 - Bonus based on semi-annual production will be paid at FasTrack Seminar following semi-annual cut-off date.
 - Bonus based on annual production will be paid at FasTrack Seminar following year-end.
 - Attendance at FasTrack is not required to receive bonus.
 - Must maintain acceptable persistency and placement ratios to qualify.
 - If an AVP, EVP or NDA qualifies for a mid-year bonus, but does not achieve the required annual total, there is no chargeback.
 - **Bonus compensation is subject to change or modification at HBW's discretion.**

EXAMPLES

1. If you have \$50,000 of Paid Premium through June 30th, you are on pace for \$100,000, which would be a 5% bonus. 50% of the attainable bonus level is 2.5%. \$50,000 x 2.5% = \$1,250.00 Bonus.
2. If you have \$100,000 of Paid Premium through June 30th, you are on pace for \$200,000, which would be a 5% bonus. 100% of the attainable bonus level has already been reached. \$100,000 x 5% = \$5,000 Bonus.

GUIDELINES

- Based on Paid Premium from American General / AIG Only
- Paid Semi-Annually
- After the first 6 months of a calendar year, if an EVP has an organization that has produced a minimum of 50% of the required annual premium to receive a bonus, the EVP will receive a bonus based on 50% of the attainable bonus level. If an AVP, EVP or NDA has a base shop that has produced a minimum of 100% of the required annual premium to receive a bonus, the AVP, EVP or NDA will receive a bonus based on 100% of the attainable bonus level.
- At the end of a calendar year, if an EVP has an organization that has produced 100% of the required annual premium to receive a bonus, the EVP will receive a bonus based on 100% of the attainable bonus level. - minus what has already been paid.
 - Bonus based on semi-annual production will be paid at FasTrack Seminar following semi-annual cut-off date.
 - Bonus based on annual production will be paid at FasTrack Seminar following year-end.
 - Attendance at FasTrack is not required to receive bonus.
 - Must maintain acceptable persistency and placement ratios to qualify.
 - If an EVP qualifies for a mid-year bonus, but does not achieve the required annual total, there is no chargeback.
 - NDA's qualify in their EVP organization only, separate from their other EVP's and NDA's.
 - **Bonus compensation is subject to change or modification at HBW's discretion.**

EXAMPLES

1. If you have \$125,000 of Paid Premium through June 30th, you are on pace for \$250,000, which would be a 2% bonus. 50% of the attainable bonus level is 1%. \$125,000 x 1% = \$1,250.00 Bonus.
2. If you have \$250,000 of Paid Premium through June 30th, you are on pace for \$500,000, which would be a 2% bonus. 100% of the attainable bonus level has already been reached. \$250,000 x 2% = \$5,000 Bonus.

HBW'S LIFE INSURANCE CARRIERS

Highlight Carriers – Highly competitive products and superior compensation for your “Ordinary” business. (Ordinary at HBW is considered “Standard & Above” class rates) HBW’s highlight carriers consist of AIG/American General, Banner Life and F&G/Old Mutual Financial Network.

Commissions from our highlight carriers are annualized (agents that qualify) and paid directly from the carrier according to the carriers commission calendar. AIG/American General pays weekly with EFT and bi-monthly (1st and 15th) for mailed checks. Banner Life and F&G/Old Mutual Financial Network pay weekly commissions. **Generational Overrides for F&G/Old Mutual Financial Network are paid weekly by HBW.** Commission and Override percentages are based upon your HBW level and the product payout by each carrier. Agents must maintain a minimum placement ration of 70%.

HBW strongly recommends registering for each one of our Highlight Carriers websites to track business submitted, issued, pending , paid and declined as well as commissions and statements.

HIGHLIGHT CARRIERS COMMISSION SCHEDULE

Company	NDA	EVP	AVP	PAVP	SAM	AM	REP	REP2
American General								
Term 30	110%	105%	100%	90%	80%	70%	60%	55%
Term 20	110%	105%	100%	90%	80%	70%	60%	55%
Term 15	100%	95%	90%	80%	70%	60%	50%	45%
Term 10	80%	75%	70%	60%	50%	40%	30%	25%
ROP 15,20, 30	107%	102%	97%	87%	77%	67%	57%	52%
Banner Life								
Term 30	105%	100%	95%	85%	75%	65%	55%	50%
Term 20	105%	100%	95%	85%	75%	65%	55%	50%
Term 15	95%	90%	85%	75%	65%	55%	45%	40%
Term 10	95%	90%	85%	75%	65%	55%	45%	40%
Fidelity & Guaranty								
Term 30	105%	100%	95%	85%	75%	65%	55%	50%
Term 20	105%	100%	95%	85%	75%	65%	55%	50%
Term 15	105%	100%	95%	85%	75%	65%	55%	50%

GENERATIONAL OVERRIDES	AVP OVER AVP EVP OVER EVP NDA OVER NDA	NDA OVER AVP	NDA OVER EVP EVP OVER AVP
1st Level	7%	17%	12%
2nd Level	3%	13%	8%
Subsequent		10%	5%

ADVANCED COMMISSIONS	NDA	EVP	AVP	PAVP	SAM	AM	REP
AIG/American General (75%)	\$2,500	\$1,500	\$1,000	\$750	\$500	\$500	\$500
Banner Life.....	(75% Annualization / \$2,500 max per case/hierarchy all levels)						
F&G/Old Mutual Financial Network.....	(50% Annualization / \$3,500 max per case all levels)						



LIFE BROKERAGE DIVISION

COMPANIES AVAILABLE THROUGH HBW

Life Brokerage Division – Designed to shop “Impaired Risk Request” to find the Carrier most in-tune with your clients specific Impairment or “Risk”. (Cases that fall outside the “Standard & Above” class rates or product features at our Highlight Carriers) Our Life Brokerage Division consists of: First Colony Life, North American, Prudential, United of Omaha, U.S. Financial and West Coast Life.

This affiliation allows us to offer our agents access to virtually all of the major, top-rated brokerage carriers in the industry. With Ultra-Competitive Product Portfolios, Complete Product Lines and Top Commissions, our brokerage division was created to assist our agents with their Impaired Risk Business.

What is Impaired Risk you ask? This is when your client has an impairment (such as heart attack, diabetes, build, etc. . .) and will not qualify for Standard or above class ratings. Any life case which does not fit into the normal underwriting guidelines at AIG American General or F&G due to health-related issues is considered Impaired Risk. Our Brokerage division was also designed for your High Risk Cases due to Non-Health Related Risks (Private Pilots, Race Car Drivers, Skydivers, Scuba Divers, etc. . .). We place some of the most difficult cases and insure Impaired Risk Clients who truly need coverage.

If you’re tired of letting your clients know they are declined, or can’t get your client an affordable rate, contact HBW and ask about our Life Brokerage Division, we’re here to serve you.

Life Brokerage Commissions are assigned to HBW and paid as earned. Agents must maintain a 70% placement ratio to all companies. Listed on the next page are the total product payouts for each carrier and HBW level. Commissions percentage and Overrides are based off the Product Payout listed on the next page and your HBW Level. Please allow a minimum of 4 - 6 weeks for commission statements to be recieved by HBW. Commissions checks from all Brokerage Carriers are processed each week on Friday and mailed out no later then Monday. **Please Note:** A minimum of \$100 in commission must be obtained before Life Brokerage checks are generated. For questions please, contact our HBW commissions department.

HBW Level	NDA	EVP	AVP	PAVP	SAM	AM	REP	REP
HBW %	95%	92.5%	90%	80%	70%	60%	50%	45%
GENERATIONAL OVERRIDES		AVP over AVP EVP over EVP NDA over NDA		EVP over AVP NDA over EVP		NDA over AVP		
1st Level		7%		9.5%		12%		
2nd Level		3%		5.5%		8%		
Subsequent				2.5%		5%		

LIFE BROKERAGE DIVISION COMMISSION SCHEDULE

Company	Product Payout	NDA (95%)	EVP (92.5%)	AVP (90%)	PAVP (80%)	SAM (70%)	AM (60%)	REP (50%)	REP2 (45%)
First Colony									
Term 30	90%	85.50%	83.25%	81.00%	72.00%	63.00%	54.00%	45.00%	40.50%
Term 20	90%	85.50%	83.25%	81.00%	72.00%	63.00%	54.00%	45.00%	40.50%
Term 15	80%	76.00%	74.00%	72.00%	64.00%	56.00%	48.00%	40.00%	36.00%
Term 10	70%	66.50%	64.75%	63.00%	56.00%	49.00%	42.00%	35.00%	31.50%
UL	75%	71.25%	69.37%	67.50%	60.00%	52.50%	45.00%	37.50%	33.75%
North American									
Term 30	85%	80.75%	78.62%	76.50%	68.00%	59.50%	51.00%	42.50%	38.25%
Term 20	80%	76.00%	74.00%	72.00%	64.00%	56.00%	48.00%	40.00%	36.00%
Term 15	75%	71.25%	69.37%	67.50%	60.00%	52.50%	45.00%	37.50%	33.75%
Term 10	70%	66.50%	64.75%	63.00%	56.00%	49.00%	42.00%	35.00%	31.50%
UL	80%	76.00%	74.00%	72.00%	64.00%	56.00%	48.00%	40.00%	36.00%
Prudential									
Term 30	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
Term 20	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
Term 15	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
Term 10	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
UL	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
United of Omaha									
Term 30	80%	76.00%	74.00%	72.00%	64.00%	56.00%	48.00%	40.00%	36.00%
Term 20	80%	76.00%	74.00%	72.00%	64.00%	56.00%	48.00%	40.00%	36.00%
Term 15	70%	66.50%	64.75%	63.00%	56.00%	49.00%	42.00%	35.00%	31.50%
Term 10	60%	57.00%	55.50%	54.00%	48.00%	42.00%	36.00%	30.00%	27.00%
UL	70%	66.50%	64.75%	63.00%	56.00%	49.00%	42.00%	35.00%	31.50%
USFL									
Term 30	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
Term 20	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
Term 15	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
Term 10	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
UL	50%	47.50%	46.25%	45.00%	40.00%	35.00%	30.00%	25.00%	22.50%
West Coast									
Term 30	75%	71.25%	69.37%	67.50%	60.00%	52.50%	45.00%	37.50%	33.75%
Term 20	80%	76.00%	74.00%	72.00%	64.00%	56.00%	48.00%	40.00%	36.00%
Term 15	70%	66.50%	64.75%	63.00%	56.00%	49.00%	42.00%	35.00%	31.50%
Term 10	60%	57.00%	55.50%	54.00%	48.00%	42.00%	36.00%	30.00%	27.00%
UL	80%	76.00%	74.00%	72.00%	64.00%	56.00%	48.00%	40.00%	36.00%

**HBW would like to introduce our
*Business Pipeline!***

Now you can access all the forms you need to produce and process business, run term quotes and illustrations and view all the underwriting requirements and guidelines for our entire portfolio. With needs analysis and software downloads, you have all the necessary tools to give you and your clients the best possible products and services available through HBW.

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