

## 2015 Dental Compensation Program

Ameritas Products shall mean the fully insured group dental, eye care and hearing care insurance business placed by Producer with Ameritas. Unless specifically provided otherwise products shall include The Business Council of New York State, Inc. Insurance Fund (BCIF).

- Qualification Periods shall mean January 2<sup>nd</sup> of a given calendar year through and including January 1<sup>st</sup> of the following calendar year.

**Line shall mean** the number of coverage lines (dental, eye care, or hearing) purchased by an account.

- Dental with Eye Care equals two lines.
- Fusion added to an existing dental account, will not count as a line of coverage for production purposes.

**Premium Persistency** shall mean the amount of premium, expressed as a percentage, retained by Ameritas during a particular Qualification Period. When determining the Premium Persistency for a particular Qualification Period, Ameritas shall use the following formula:

- The total inforce premium on the last day of a given Qualification Period due for those Ameritas Products placed prior to such Qualification Period divided by the total inforce premium on the first day of the same Qualification Period due for those Ameritas Products likewise placed prior to such Qualification Period. **Note:** Premium attributable to Ameritas Products first placed by Producer during the particular Qualification Period will be excluded from this calculation.

**Production Level** shall mean the total premium, expressed on an annualized basis, that Ameritas determines is due it for all those Ameritas Products which **(a)** are placed by Producer during a given Qualification Period **AND (b)** remain inforce as of the last day of the same Qualification Period.

### Determination of Bonus Level

Ameritas shall determine which of the following bonus levels, if any, apply to the calculation for the corresponding Qualification Period. Cases and Premium amounts represent amounts inforce at the end of the qualification period.

DETAILS	BRONZE	SILVER	GOLD
Dental Book of Business	\$50,000	10 cases & > \$150,000	20+ Cases & > \$300,000
Minimum Line Production	4	6	8
Minimum Premium Level	\$50,000	\$65,000	\$80,000

### Calculation of Annual Special Compensation Payments

#### **STEP 1 – Determine Dental Bonus (if qualified)**

For each Ameritas Product which has any associated Dental premium, Ameritas will calculate the associated Dental Bonus due Producer, if qualified, by multiplying the Dental premium (as determined by Ameritas in its sole discretion) received by Ameritas during the Qualification Period by applicable percentages set forth in the following grid:

Dental Premium (per case)	BRONZE	SILVER	GOLD
Of the first 100,000	3%	4%	5%
Of the next \$150,000	1%	1.5%	2%
Of excess of \$250,000	.50%	.50%	.50%

**NOTE:** Dental Bonus will be calculated based on all Dental premium received by Ameritas for all Ameritas Products, including BCIF business, written on or after January 2, 2014. Additionally, while the foregoing Dental Bonus amount is determined on a case-by-case basis, Ameritas will aggregate the amounts so calculated for purpose of paying the bonus.

**STEP 2 – Determine Eyecare Bonus (if qualified)**

For all Ameritas Products which have any Eyecare premium, Ameritas will calculate the associated due Producer, if any, by multiplying the aggregate Eyecare premium (as determined by Ameritas in its sole discretion) received by Ameritas during the Qualification Period by the applicable percentages set forth in the following grid. The percentage will apply to the total Eyecare inforce premium and unlike the Dental bonus calculation, are not applied on a case-by-case basis:

<b>Aggregate Qualification Period Eyecare Production</b>	<b>BRONZE</b>	<b>SILVER</b>	<b>GOLD</b>
	5%	5.5%	6%

**NOTE:** Eyecare Bonus percentage will be calculated on all eyecare premium received, including BCIF business, written on or after January 1, 2012.

**STEP 3 – Determine Persistency Multiplier:**

<b><u>Premium Persistency</u></b>	<b><u>Multiplier</u></b>
Less than 75%	0.00
75% to 79.9%	0.60
80.0 to 84.9%	0.80
85.0 to 89.9%	1.00
90% & over	1.20

**NOTE:** Without limiting the foregoing, BCIF Dental and Eyecare business will be included in determining the Persistency Multiplier.

**STEP 4 – Calculate Payout**

The Payout is determined by (Step 1 + Step 2) \* Step 3

Ameritas shall make any annual bonus payment due hereunder to Producer within sixty (60) days following the end of the Qualification Period to which the payment relates.

**Disclaimer:**

1. This special compensation program does not apply to Ameritas Trust products other than the BCNY product.
2. Any Ameritas Products included within the scope of this Agreement may not also count toward or be considered any special producer compensation or other bonus programs that Ameritas may offer from time to time.
3. Ameritas' Administrative Services Only (ASO) products are not part of this Agreement except as follows:
  - a. ASO products will count towards Life production in determining Bonus Level (Bronze, Silver or Gold)
  - b. ASO Premium Equivalents will count towards Book of Business and Premium Production in determining Bonus Levels (Bronze, Silver, or Gold)
  - c. ASO fees – not Premium Equivalents – will be used in calculating Special Compensation payments.
4. Fusion, when added to an existing Dental account, will not count as a line of coverage for production purposes.

In all matters relating to the interpretation or application of any rules of this program, Ameritas' decision is final. Ameritas reserves the right to cancel, amend or revoke the program described herein at any time and for any reason.