

2012 Supplemental Commission Program Overview



The Supplemental Commission Program (SCP) for 2012 from The Prudential Insurance Company of America (Prudential) provides producers with the opportunity to earn compensation in addition to any standard commissions that may be payable.

New Business Program

New Business Program Qualification

A producer's 2012 new business supplemental commission may be determined based on his or her aggregate annualized due premium on eligible cases on the qualification date, the number of eligible cases in force on the qualification date, the eligible new business premium with an effective date during the qualification period (January 1, 2012 through December 31, 2012), and the number of eligible new business coverage counts sold with effective dates during the qualification period.

Coverage Count Determination

One new business coverage count will be credited for the placement of one or all products within each of the following product groupings:

- Basic Life, Accidental Death & Dismemberment (AD&D), Business Travel Accident, and Dependent Life Insurance
- Optional Group Life, Group Universal Life (GUL), Group Variable Universal Life (GVUL), Optional AD&D, and Optional Dependent Life Insurance
- Long Term Disability and Voluntary Long Term Disability Insurance
- Short Term Disability, State Mandated Short Term Disability, and Voluntary Short Term Disability Insurance
- Group Long Term Care Insurance
- Dental Insurance
- Life Buyout
- Disability Buyout

A maximum of eight new business coverage counts can be credited per client and only one per product grouping.



New Business Qualification and Payment Schedule

New Business Coverage Counts

New Business Requirement	% of New Business Premium
New business coverage counts placed with effective dates between 1/1/12 and 12/31/12	SCP % 1%–7%

OR

New Business Premium

New Business Requirement	% of New Business Premium
New business premium placed with effective dates between 1/1/12 and 12/31/12	SCP % .5%–3%

New Business Program Payment

The new business payment is calculated by multiplying the new business percentage by the eligible new business premium due for each client from 01/01/2012 through 12/31/2012, subject to varying case maximums. For example, if a client's annual eligible new business premium is \$100,000, and the SCP new business percentage is 1%, the total 2012 New Business payment due to the producer for the client's case would be \$100.

We encourage clients and producers to contact us at SCP@prudential.com or 973-548-5100, or [click here](#) to request a written estimate of the range of supplemental commissions related to a proposed new sale or business placed during the qualification period.



Persistency Program

Persistency Program Qualification

The 2012 SCP also provides producers with the opportunity to earn supplemental commissions on in force business with Prudential. To be eligible to receive a persistency payment a producer must:

- 1) Qualify for any level under the new business portion of the 2012 SCP program, and
- 2) Achieve the minimum persistency required for that respective level

Persistency Qualification and Payment Schedule

New Business Coverage Counts and Minimum Persistency

New Business Requirement	% of New Business Premium	Minimum Persistency
Minimum of 9 new business coverage counts placed with effective dates between 1/1/12 and 12/31/12	SCP % 1%–7%	77%

OR

New Business Premium and Minimum Persistency

New Business Requirement	% of New Business Premium	Minimum Persistency
Minimum of \$1M in premium placed with effective dates between 1/1/12 and 12/31/12	SCP % .5%–7%	77%

Persistency Program Payment

The persistency payment will be calculated by multiplying the persistency supplemental commission rate by the aggregate annualized eligible in force business due premium as of 12/31/2012. Eligible in force business is defined as eligible business in force prior to 01/02/2012 that was not included in the new business program payment. For example, if a client's annual eligible inforce business premium is \$100,000, and the SCP Persistency business percentage is 1%, the total 2012 Persistency payment due to the producer for the client's case would be \$100.

We encourage clients and producers to contact us at SCP@prudential.com or 973-548-5100, or [click here](#) to request a written estimate of the range of supplemental commissions related to a retaining an inforce client with Prudential.



General Provisions and Disclosure Policy

- Clients and producers may elect to opt out of the program at any time. If a client opts out of the program, the case will be excluded from the producer's qualification criteria and no payment will be paid on this business
- Prudential reserves the right to waive or alter qualification criteria for some producers