



Worksite Better.

Commission schedule overview

Group Whole Life Insurance and Group Universal Life Insurance

Broker

Broker Commission Schedule Options for MassMutual Group Whole Life Insurance and Group Universal Life Insurance

There are several commission schedules available which are actuarially equivalent.

Broker Heaped Commission Option				
BASE COMMISSION	ISSUE AGES 18-70		ISSUE AGES 71-75	
	YR 1	YR 2	YR 1	YR 2
	90%	25%	68%	13%

HEAPED – There is a high level of commission paid in the first 2 certificate years; no commission is paid after the second certificate year. “Heaped” is the default option.

Broker Level Commission Option		
BASE COMMISSION	ISSUE AGES 18-70	ISSUE AGES 71-75
	YR 1 – 10	YR 1 – 10
	22%	17%

LEVEL – Commission is paid for 10 certificate years.

Broker Semi-Heaped Commission Option				
BASE COMMISSION	ISSUE AGES 18-70		ISSUE AGES 71-75	
	YR 1	YR 2 – 10	YR 1	YR 2 – 10
	45%	15%	34%	11%

SEMI-HEAPED – This commission option is a mix of the Heaped and Level options, as it pays higher compensation in the first certificate year, then a lower commission rate in certificate years 2-10. Commission is not paid after the 10th certificate year.

Broker Volume Bonus	
TARGET PREMIUM – ALL MASSMUTUAL WORKSITE VOLUNTARY BUSINESS	BONUS
Target \$1M+	5% of qualifying premium

- Volume bonus is based on annual first year premium achieved within the same calendar year.
- Bonuses will be paid to the licensed entity receiving the basic compensation.

General information

LICENSING AND CONTRACTING – In order to sell MassMutual Group Whole Life Insurance and/or Group Universal Life Insurance and receive commissions, you must be licensed in the group situs state. Solicitation of certificate applications under the group policy may require licensure in additional states.

COMPENSATION

- Paid once the initial monthly premium for all plan certificates are applied.
- May be paid annualized or as earned.
- There are no advancements of commissions.

VESTING – Commissions payable to you are vested for 10 years.

RIDERS – Commissions on riders follow the same commission schedule as the certificate return. If a certificate is on Waiver of Monthly Charges (Group Universal Life) or Waiver of Premium (Group Whole Life) commissions will be paid as normal.

Commission payout general information

- Commission close is the first and third Tuesday of the month.
- Payment is sent out by direct deposit the Friday following commission close.

Potential commissions if you add MassMutual® Group Whole Life Insurance and Group Universal Life Insurance to your book of business.

Case Assumptions:

Eligible employees – **2,000**

Participation – **20%**

Average annual premium – **\$600**

Heaped commission schedule

First year commission formula:

2,000 eligible employees x **20%** =
400 employees

400 employees x **\$600** annual premium =
annual revenue \$240,000

$\$240,000 \times 90\% \text{ FYC} = \mathbf{\$216,000}$

General compensation

- Compensation is paid to the broker or broker firm.
- Compensation schedules for each broker can vary from group to group.
- Each broker tied to a group can have a different schedule.
- Commission schedules can change at any time and will only affect future certificates.
- Compensation is paid as 1099 income.

To learn more, visit www.MassMutual.com
or call **1-855-877-6161**.

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