

Broker PLUS Compensation Plan

Brokers with \$10 million to <\$25 million of inforce premium

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Overview

MetLife is pleased to present the PLUS Compensation Plan. This plan allows a broker to earn compensation as they work to build their book of business with MetLife. The PLUS Compensation is paid in addition to any other type of compensation paid by MetLife.

A broker may qualify for the PLUS Compensation based on the following criteria^{1,2} and detailed in the table below:

- (1) Inforce premium^{3,4} of \$10,000,000 up to \$24,999,999 as of October 1, 2018
- (2) New business (New Business Premium or New Business Coverage Groupings) between January 1, 2019 and December 31, 2019 (the "Qualification Period")
- (3) Year End Persistency

Qualification — Eligible to earn an additional 1.00% on New and Renewal Business Premium

A broker may qualify for PLUS Compensation based on the criteria in the table below:

Qualification				Payment	
New Business Premium		New Business Coverage Groupings		Year End Persistency	New and Renewal Business Compensation Rate
≥\$1,500,000	AND	≥10	AND	≥89.0%	1.0%

Payment for New Business and Renewal PLUS Compensation Rates

Payment is calculated based on 2019 Received and Earned Premium. The PLUS Compensation Rate will be applied to New Business and Renewal Business Premium. Payment will be made by March 15, 2020 in one lump sum.

1. In certain circumstances, MetLife may set the PLUS Compensation percentage as a fixed percentage and the qualification criteria set forth in this brochure will not apply.
2. MetLife may in its discretion aggregate Tax ID's for qualification while applying payment to the individual Tax IDs, if requested to do so by the broker. A request to aggregate must be submitted no later than July 1, 2018.
3. Inforce premium is determined as of October 1, 2018, including New Business Premium with effective dates on or before October 1, 2018. MetLife may, however, in its sole discretion determine annualized inforce premium at the end of the Qualification Period for certain brokers based on changes in inforce premium during the Qualification Period.
4. If two or more firms merge prior to the qualification period and this results in an increase of 50% or more of the acquiring firm's inforce block of business with MetLife, MetLife reserves the right to remove the combined firms from the 2019 PLUS Compensation program.

Eligible Group Products and Services

There are a number of different group products and services marketed by MetLife for which a broker is eligible to earn PLUS Compensation. For qualification and payment purposes, coverages must have a minimum of two eligible lives. The products and services fall into the following Coverage Groupings:

Core Products

Coverage Grouping 1

- Basic Life, Core Life, Dependent Life, Accidental Death & Dismemberment (“AD&D”) both personal and dependent

Coverage Grouping 2

- Optional Group Term (Supplemental Life), Voluntary AD&D Both personal and dependent, Optional Life/AD&D, Buy-Up Life, Buy-Up AD&D, Survivor Income Benefit

Coverage Grouping 3

- Group Universal Life — cost of insurance only

Coverage Grouping 4

- Group Variable Universal Life — cost of insurance only†

Coverage Grouping 5

- Dental benefits products*

Coverage Grouping 6

- Short Term Disability (“STD”)*, Voluntary STD, Mandated State Disability Plans

Coverage Grouping 7

- Long Term Disability (“LTD”)*, Voluntary LTD

Coverage Grouping 8

- Vision⁵

Voluntary Products

Coverage Grouping 9

- Hospital Indemnity Insurance, Accident Insurance, Cancer Insurance, Critical Illness, Worksite STD, MetLaw⁶

† Only a registered broker-dealer may receive qualification credit and PLUS Compensation for the sale of Group Variable Universal Life.

* Administrative Services Only (“ASO”) business may be included only in Coverage Groupings 5, 6 and 7.

Coverages Eligible for Payment Only

The following coverages are included for PLUS Compensation payment purposes but excluded for qualification:

- Texas Life Whole Life⁷

Excluded Products

Any products or services not specifically included in the above section are excluded from the PLUS Compensation Plan, and therefore will not be counted for qualification purposes, nor will a broker receive PLUS Compensation on the premium or fees relating to those products. Products or services sold to customers whose situs is outside the United States and its territories are excluded.

5. Safeguard Vision cases are excluded from PLUS Compensation for qualification and payment.

6. MetLaw is excluded for qualification and payment for customers with less than 100 employees.

7. Texas Life Whole Life Insurance is available through your MetLife representative and is underwritten by Texas Life Insurance Company, 900 Washington, Waco, Texas. Texas Life is not affiliated with Metropolitan Life Insurance Company or its affiliates.

Guidelines

General Program Guidelines

Amendments

The terms and conditions set forth in this brochure govern the PLUS Compensation Plan. MetLife reserves the right to change the terms of the PLUS Compensation Plan and discontinue the sale of any product. There will be no changes to the PLUS Compensation Plan unless set forth in a writing signed by an Executive Vice President. Changes to the PLUS Compensation Plan will be posted on www.metlife.com/brokercompensation.

Contacting MetLife

Your Account Executive is available to answer any questions. Brokers may also contact the dedicated Broker Service Center at the number below.

When contacting MetLife by e-mail, please state the topic of your request in the subject line and include pertinent details in the body of the message. Information needed to respond to your request may include the broker's name, address, e-mail address, phone number, broker number, customer name and coverages.

Phone: (866) 796-1800; select option #5

E-mail: ins_compensation_inquiries@metlife.com

Mail to: MetLife
P.O. Box 30160
Tampa, FL 33630

Disclosure

MetLife reserves the right to notify its customers of a broker's eligibility to receive compensation under the PLUS Compensation Plan and the amount of any payment made or to be made, and to obtain written customer authorization prior to making any payment. Certain customer and prospect communications will include a compensation notice explaining to customers and prospects how brokers are compensated. MetLife will send to all group insurance customers an annual statement indicating all compensation paid to the customer's Broker of Record in the prior year. Working with MetLife, you can be assured of its commitment to disclosure of information about its compensation plans to customers and potential customers.

Important dates

Qualification Period

New business with effective dates between January 1, 2019 and December 31, 2019.

Inforce Premium as of December 31, 2018 and Inforce Premium as of December 31, 2019, will be used as part of the Persistency calculation.

Customer Authorization Form

Must be completed, and received by MetLife by December 31, 2019 — to be counted for qualification.

If it is received by MetLife after January 15, 2020 — will apply to payment only. Payment cannot be made until receipt of signed Customer Authorization Form.

Notification of qualification

Estimate of qualification — intended to be mailed in December 2019 to brokers qualifying for 2019 PLUS Compensation Plan.

Broker book of business corrections — due to MetLife by January 15, 2020.

Official notification of qualification — mailed in February 2020 to brokers qualifying for 2019 PLUS Compensation Plan.

Payment and Timing

Payment will be based on 2019 Received and Earned Premium received by February 1, 2020. All PLUS Compensation payments will be made by March 15, 2020.

MetLife reserves the right to adjust the timing of all PLUS Compensation payments.

Licensing and appointment

In order to be eligible for qualification and payment under the PLUS Compensation Plan, the broker must be appropriately licensed and appointed and comply with all applicable laws and regulations, including without limitation, those that apply to disclosure of compensation.

Pricing

The cost of PLUS Compensation is not directly charged to the price of our products except as an allocation of overhead expense, which is applied to all eligible group insurance products, whether or not PLUS Compensation is paid in relation to a particular sale or renewal.

Qualification Guidelines

ASO/Participating (“PAR”)

For ASO and PAR customers/coverages, MetLife will apply the full ASO fee or the PAR premium amount towards qualification.

Broker of Record

The Broker of Record on the effective date of the qualifying new business sold during the Qualification Period will receive qualification credit for annualized New Business Premium and New Business Coverage Grouping count; there is no prorating of the qualification credit. A customer’s coverage must be in force at the end of the Qualification Period in order to be counted towards qualification for New Business.

Where there is a Broker of Record change on in force business during the Qualification Period and the coverage is still in force at the end of the Qualification Period, such business is excluded from qualification for Persistency.

Brokers splitting/deal %

If two or more brokers split base compensation, the New Business Premium will be apportioned. This apportionment will be the same as the base compensation apportionment.⁸

Coverage Grouping count

Coverage Grouping counts are determined at the customer number level. For a given customer number, a broker will receive a single Coverage Grouping count for each new Coverage Grouping.

Enrolled lives

If the number of enrolled lives for a coverage increases or decreases for a customer following the effective date of the new business coverage, there will be no impact to the New Business Premium qualification calculation.

Opting out

All premium on qualifying business is counted for qualification purposes. However, if a customer chooses to Opt-out of the PLUS Compensation Plan, no PLUS Compensation will be paid in relation to that customer’s premium. If a customer chooses to Opt-out of the 2019 Broker Supplemental Compensation Plan, then the customer will automatically Opt-out of the PLUS Compensation Plans.

Payment Guidelines

Advances

No PLUS Compensation payments shall be made in advance of when they are due under the PLUS Compensation Plan.

ASO/PAR customers

ASO fees and PAR premium are reduced to 25% of the actual ASO fees and PAR premium prior to applying the applicable PLUS Compensation percentage.

Brokers splitting/deal %

Received and Earned Premium shall follow the apportionment designated on the brokers’ commission agreement.⁸

Broker of Record

PLUS Compensation shall be earned by the Broker of Record only so long as the premium is deemed to be Received and Earned

Premium, and provided MetLife and the customers continue to recognize the broker as the Broker of Record for the Bill Date during the Qualification Period.

Capping

MetLife will pay a broker a maximum of \$800,000 (the “Cap”) of total PLUS Compensation per customer. (See Guidelines — Payment and Timing.) The Cap is based on a maximum of \$200,000 of New Business core product coverages, \$200,000 for the total amount of Renewal Business core product coverages, \$200,000 for the total amount of New Business voluntary product coverages, and \$200,000 for the total amount of Renewal Business voluntary product coverages (See page 5 for product coverages).

If more than one broker is eligible for PLUS Compensation with respect to one customer and PLUS Compensation is more than \$800,000, MetLife may apply the Cap or Caps per customer for each broker so long as the brokers are not affiliated or under common ownership or control. MetLife may, in its sole discretion, determine when a broker has an affiliation or common ownership with another broker. MetLife reserves the right to determine in its sole discretion how the Caps are applied.

If a customer acquires another company that does not have eligible group products prior to the acquisition, MetLife will treat the existing customer and the acquired company as separate companies for purposes of applying the Cap or Caps under the 2019 PLUS Compensation Plan.

MetLife reserves the right to consider the customer and the acquired company to be one customer in relation to any future PLUS Compensation Plans.

Notwithstanding, any of the other provisions in this section, MetLife reserves the right to apply the Cap or Caps in instances where customers are deemed by MetLife in its sole discretion, to be affiliated or under common ownership.

Customer authorization

MetLife reserves the right to obtain written customer authorization before making any PLUS Compensation payment.

Overpayments

The broker shall immediately return any overpayment of PLUS Compensation. Any PLUS Compensation paid to a broker that is not earned by the broker shall be immediately returned and MetLife reserves the right to offset any funds payable by a broker against any funds payable to the broker. By cashing any check or otherwise accepting any payment, including any PLUS Compensation payment, the broker thereby agrees that MetLife may offset any funds payable to the broker in order to recover an overpayment or any other funds payable by the broker.

Primary payee

In instances where multiple payee codes exist for a single Tax ID, MetLife will require a duly authorized representative of the broker to designate in writing a primary payee. When a primary payee is designated, it will remain in effect until MetLife receives and approves a written change request.

8. MetLife may in its discretion allow the apportionment of PLUS Compensation to be different than the apportionment of base compensation, if requested to do so by the broker.

Definitions

In addition to the defined terms below, some terms may be defined where they first appear in this brochure.

1. **“Annualized Billed Premium”** – the last billed premium earned and received in good order at the end of the qualification period is then used to calculate an annual premium amount.
2. **“Bill Date”** – Billing due date for the premium of the customer.
3. **“Broker of Record”** – the broker recognized, by both the customer and MetLife, to service the customer’s eligible group insurance coverage.
4. **“Coverage Grouping”** – one or more coverages or group products or services marketed by MetLife that are eligible for qualification and payment under the PLUS Compensation Plan.
5. **“Division Number” and “Experience Number”** – terms used internally. A Division Number or Experience Number may be used to identify sub-groups within a customer. For example, a customer may choose to have one sub-group of its employees covered for basic life insurance benefits under one Experience Number and another sub-group of its employees covered for basic life insurance benefits under a different Experience Number. MetLife reserves the right to determine in its sole discretion whether to permit multiple Division Numbers or Experience Numbers under one customer.
6. **“Inforce Premium”** – the Annualized Billed Premium for customers whose group coverages are in force as of the calculation date, but excluding coverage(s) effective on or after January 1, 2019 unless otherwise noted. For purposes of determining Inforce Premium, MetLife includes all customers of the Broker, including customers with Zero Commission Coverages and Opt-out customer.
7. **“New Business Premium”** – New Business Premium is Annualized Billed Premium for new coverages with an effective date during the qualification period. For payment purposes, New Business Premium is Received and Earned Premium credited to a billing cycle that occurs during the first twelve (12) months following the coverage effective date for the 2019 PLUS Compensation Program year.
8. **“Opt-out”** – the act of electing to exclude a broker’s Tax ID, customer, Division Number, Experience Number and/or Coverage Grouping from participating in the PLUS Compensation Plan. This can be accomplished by contacting the Broker Service Center.
9. **“Received and Earned Premium”** – the premium paid by a customer and allocated by MetLife to loss experience, expense and profit for the customer’s case, and used to calculate base compensation.
10. **“Renewal Business Premium”** – Premium received by MetLife to credit a billing cycle that occurs after the first twelve (12) months following the coverage effective date. For payment purposes, Renewal Business Premium is Received and Earned Premium credited to a billing cycle that is not considered New Business Premium for the 2019 PLUS Compensation Program Year.
11. **“Tax ID”** – an individual’s social security number or a firm’s taxpayer identification number.
12. **“Year End Persistency”** – Persistency is calculated by dividing the Inforce Premium as of December 31, 2019 for customer coverages for which a broker is Broker of Record by the Inforce Premium as of December 31, 2018 for the same coverages. The persistency calculation utilizes only the premiums associated with the inforce coverages in effect on December 31, 2018. Coverage(s) effective on or after January 1, 2019 will be excluded. Coverages that cancel on December 31, 2018 or January 1, 2019 will impact the 2019 Persistency qualification. Coverages for which there is a Broker of Record change during the qualification period where MetLife retained the customer will be excluded. For purposes of calculating a broker’s persistency, MetLife includes all customers of the broker, including customers with Zero Commission Coverage and Opt-out customers. For qualification purposes and upon notification by the Broker of Record, a conversion from insured to ASO will be excluded from the persistency calculation. The persistency calculation will utilize a premium cap for each customer of \$500,000 for Dental and \$250,000 for each of the other coverages.
13. **“Zero Commission Coverage”** – group coverage where the Broker of Record is not receiving base compensation, whether or not MetLife or the customer pays any amount to that broker. Both the broker and customer must sign the Customer Authorization Form to include a Zero Commission Coverage in the PLUS Compensation Plan for purposes of determining eligibility and PLUS Compensation payable. Once a Customer Authorization Form is completed and submitted for the 2019 PLUS Compensation Plan, it will remain in effect for subsequent supplemental and other additional compensation plans unless a customer notifies MetLife in writing of its intention to terminate the authorization.

Customer Authorization Form

MetLife requires customer consent by means of the Customer Authorization Form in order to include a Zero Commission Coverage for qualification and/or payment purposes. PLUS Compensation will only be paid on Zero Commission Coverages with an effective date on or after January 1, 2010, provided a Customer Authorization Form is received by December 31, 2019, and the broker is recognized as the Broker of Record as of the effective date of the coverage.

MetLife will accept a Customer Authorization Form (and pay supplemental compensation, bridging or PLUS compensation) for coverages with effective dates before January 1, 2010 under the following conditions:

1. A new PLUS Compensation eligible group product for qualification (as defined on page 5) is added; or
2. A MetLife Auto and Home product is added; or
3. A qualifying re-enrollment campaign⁹ for existing coverages is implemented; or
4. A customer converts from ASO to non-participating Dental, STD or LTD insurance.

For previously excluded coverages (as described above) where no base commission had been payable or that had a base commission change, a signed Customer Authorization Form is required in order to be eligible for payment and qualification under the supplemental compensation, bridging or PLUS compensation plans.

Both the broker and customer must sign the Customer Authorization Form. MetLife reserves the right to exclude from its PLUS Compensation Plan any business where a broker may have represented that broker compensation paid under their PLUS Compensation Plan with respect to a customer's coverage will reduce the price or premium rates with respect to the customer's coverage.

If a customer submits a Customer Authorization Form for the 2019 PLUS Compensation Plan, it will remain in effect for current or subsequent supplemental compensation plans and/or bridging compensation plans, beginning with 2019 PLUS Compensation, unless the customer notifies, in writing, of its intention to terminate authorization. In addition, if a Customer

Authorization Form has been received for the 2010 – 2019 Supplemental Compensation Plans or 2015 – 2017 Bridging Compensation plans, this authorization will also apply to the 2019 PLUS Compensation Plan, unless the customer notifies MetLife, in writing, of its intention to terminate the authorization. Annual notices may be provided to customers who have submitted the Customer Authorization Form describing changes to its supplemental compensation plan from the prior year.

The customer may terminate the authorization at any time. Termination of the authorization will take effect within thirty (30) days after notification is received and no payments in relation to that customer's premium will be made thereafter under any PLUS compensation plan.

The Customer Authorization Form must be completed and submitted via U.S. Mail, overnight delivery service, fax, or e-mail to one of the following contact points below by December 31, 2019:

E-mail: ins_compensation_inquiries@metlife.com

Mail to: MetLife
P.O. Box 30160
Tampa, FL 33630

PLUS Compensation earned only under the 2019 PLUS Compensation Plan may be paid, at MetLife's discretion, retroactively by MetLife by March 15, 2020, after the date of receipt of the Customer Authorization Form. The Customer Authorization Form will not be considered received until it is received at one of the contact points listed above. If the form is submitted to another area (for example, a sales office), the form will not be considered received until it is received at one of the contact points listed above, and the business may not be counted for PLUS Compensation purposes. Any Customer Authorization Forms received at one of the contact points listed above after January 15, 2020, will apply to payment only and will not count towards the broker's qualification for the 2019 PLUS Compensation Plan. In addition to using the Customer Authorization Form in this brochure, you can photocopy the form, or download a PDF version of the form at www.metlife.com/business-and-brokers/broker-resources/broker-compensation.

9. Your MetLife Account Executive can provide you with specific details around qualifying re-enrollment campaigns.

Important Information for MetLife Customers:

MetLife requires that this form be completed when a customer obtains MetLife group insurance products through a licensed and appointed insurance intermediary, such as a broker or consultant ("Broker") and MetLife is not paying the Broker base compensation in connection with the customer's coverages, but the customer wishes to permit MetLife to include each of the customer's MetLife coverages for determining the Broker's eligibility for payment of: bridging compensation, supplemental compensation pursuant to the 2019 PLUS Compensation Plan, 2019 Supplemental Compensation Plan (or future MetLife supplemental compensation plans), and new business advantage compensation pursuant to one or both of the 2018 New Business Advantage Compensation Plan and New Business Advantage Plus Compensation Plan (or future new business advantage compensation plans) ("Compensation"). If a customer submits a Customer Authorization Form for a current Compensation plan, the authorization will remain in effect for future Compensation plans, unless the customer advises MetLife in writing that such authorization is terminated. MetLife may provide to each customer who submits this form an annual notice describing any changes to its Compensation plan from a prior year. MetLife will only accept this form in relation to a coverage that has an effective date on or after January 1, 2010, and in relation to a Broker recognized as Broker of Record by MetLife as of the effective date of such coverage. A customer's signature on this form will permit MetLife to include each of the customer's MetLife coverages, for determining the Broker's eligibility for payment of Compensation with respect to current and future Compensation plans, beginning with the 2019 Broker PLUS Compensation Plan, 2019 Supplemental Compensation Plan, 2018 New Business Advantage Compensation Plan and 2018 New Business Advantage Plus Compensation Plan.

MetLife will accept a Customer Authorization Form (and pay Compensation) for coverages with effective dates before January 1, 2010 under the following conditions:

1. A new Supplemental Compensation eligible group product for qualification is added; or
2. A MetLife Auto and Home product is added; or
3. A qualifying re-enrollment campaign for existing coverages is implemented; or
4. A customer converts from ASO to non-participating Dental, STD or LTD insurance.

For previously excluded coverages (as described above) where no base commission had been payable or that had a base commission change, a signed Customer Authorization Form is required in order to be eligible for payment and qualification under any of the Compensation plans.

Sections I and II of this form **MUST** be completed in their entirety and received by MetLife by **December 31, 2019**, at one of the contact points listed below. PLUS Compensation earned only under the 2019 PLUS Compensation Plan may be paid, at MetLife's discretion, retroactively by March 15, 2020 after the date of receipt of the Customer Authorization Form. Any Customer Authorization Forms received by MetLife at one of the contact points listed below after **January 15, 2020** will apply to payment only and will not affect the Broker's 2019 PLUS Compensation percentage.

SECTION I must be completed and signed by the broker. **SECTION II** must be completed and signed by the **customer**.

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Broker information
(To be completed by Broker)

SECTION I

Printed name and Tax I.D. of broker: _____

Address: _____

Broker Code: _____

Name and Tax I.D. of Individual writing agent: _____

Effective date of coverage: _____ Contact Phone Number: _____

E-mail address: _____

Signature of broker or of a duly authorized representative of broker, if broker is a firm:
 _____ Date: _____

Customer information
(To be completed by customer)

SECTION II (Initial where applicable)

On behalf of the MetLife customer identified below, I authorize MetLife to include each MetLife coverages identified below for the purposes of determining the Broker's eligibility for, and payment of, Compensation, subject to Section 1, with respect to one or more of the Compensation plans and any future MetLife compensation plans. I have had the opportunity to review MetLife's PLUS Compensation Plan brochures. I understand that my Broker may receive a payment under one or more of the Compensation plans and future compensation plans for the insurance coverages listed below that are being placed with MetLife. I understand that this form also confirms my intention for MetLife to consider the above broker to be my Broker of Record.

MetLife coverages	MetLife customer name and number	MetLife division or experience number
_____	_____	_____
_____	_____	_____

Check if all is applicable

Authorization of MetLife Customer:

By signing below, I certify that I am duly authorized by the company identified below to execute this document and to authorize MetLife to include the MetLife insurance coverages identified above in the calculation of MetLife's 2019 Compensation plan payments as well as payments pursuant to any subsequent Compensation plans. This authorization will permit MetLife to include each of the customer's coverages for determining the Broker's eligibility for payment of Compensation, pursuant to current and future Compensation plans, beginning with the 2018 New Business Advantage Compensation, 2018 New Business Advantage Plus Compensation Plans, 2019 PLUS Compensation Plan and 2019 Supplemental Compensation Plans. In addition, I represent that the broker identified above has not solicited my signature on this form by suggesting that any Compensation will reduce the pricing and/or premium payments for any MetLife coverage listed above.

Customer's company name: _____

Address: _____

City: _____ State: _____ Zip code: _____

Printed name: _____ Title: _____

Signature: _____ Date: _____

Return by Mail to: MetLife, P.O. Box 30160, Tampa, FL 33630 or **E-mail to:** INS_Compensation_Inquiries@metlife.com. You can download a PDF version of the Compensation brochures and the Customer Authorization Form at www.metlife.com/business-and-brokers/broker-resources/broker-compensation.

