

Pay Structure + Promotion Levels

- **Personal Sales Contract:**
 - 30% first year commission and 2% renewal
 - 7 month advance (60% of annual) on all sales & months 8-12 paid as earned
 - Example: You sell \$10,000 AP (about 10 apps) and your paycheck is: $\$10,000 \times 60\% \times 30\% = \$1,800$ paid on Friday
- **Team Override Contract:**
 - 5% first year commission override and 1% lifetime renewal override if you personally source a new representative, which is paid for the life of what that rep sells (we call this a 5/1)
 - Paid on all sales forever as long as you are active and appointed
 - Advanced on team sales, same as personal (60% annual advance, while maintaining quality business)
 - i. Example: Your team (of which You sourced and trained all team members) sells \$20,000 AP and your override paycheck is: $\$20,000 \times 60\% \times 5\% = \600 paid on Friday
 - ii. Example: You have 1 team member named Frank and Frank sells \$300,000 year 1. Your earnings just from your first year override on Frank would be: $\$300,000 \times 5\% = \$15,000$ earnings plus bonus earned
 - iii. Example: Your team sells \$1M in a year your earnings just on the team override of 5% would be: \$50,000 plus bonus earned
- **Promotion Guidelines:**
 - **Promotion 1:** District Team Leader: Sell \$25,000 and personally source 3 new recruits
 - i. Personal sales contract increases to 35% first year and 3% renewal (5/1 increase)
 - ii. Earn the title of District Team Leader, a distinct and respectably accomplished business title
 - iii. Earn an additional 5% override on all new team members recruited and their sales (from 5/1 to 10/1)
 - iv. Earn trainer bonuses in addition to recruiter bonuses on all new team members
 - v. Be considered for a private office if available near your market! Once all private offices are reserved you must wait for a new office to open!
 - vi. NOTE: to maintain DTL status & compensation structure you must sell **\$30,000 personal sales per production quarter and recruit 3 personal reps** in the same quarter, otherwise your contracts will be reverted to the original levels
 - **Promotion 2:** Regional Team Leader: Team production (includes personal) of \$750,000 in a rolling 12 months
 - i. Personal sales contract increases to 50% first year and 5% renewal (50/5)
 - ii. Team override increases to 20% first year and 3% renewal
 - **Promotion 3:** Sales Director: Team production (includes personal) of \$1.5M in a rolling 12 months
 - i. Overall contract increase to 70% first year and 7% renewal
 - ii. Branch off of Gridiron and brand your own company
 - iii. 100% resource provided by the National Sales Staff at Family Heritage Life
 - iv. See Sales Director Manual for specific guidelines (this format serves only as an overview)

Renewals/Residual Explained:

- A renewal commission is paid to the representative on both personal sales and team overrides, starting the 13th month of the active policy.
- Vesting Schedule: 2 years = 50%, 3 years = 60%, 4 years = 70%, 5 years = 100%. You walk away and you will continue to receive your renewal % trail on everything sold in the past for the life that business “stays on the books”
- Renewal Example: Sell \$250,000 (average of 200 apps per year) over the course of 7 years.
 - You will earn a projected \$560,000 paid out over the next 15-20 years of your life, if you are still with our company or not!
 - The above example broken down: $\$250,000 \times 2\% \times 7 \times 16$ Year Average Persistency = \$560,000 Pay Structure + Promotion Levels