

# Compensation & Product Schedule

## LCBA Medicare Supplement General Agent

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**This Compensation & Product Schedule** (this "Schedule") is part of your agreement or contract with Company ("Agreement") and is in effect on the later to occur of: (1) the date this Schedule was first approved by an Authorized Representative, (2) the effective date of the Agreement, or (3) the effective date assigned by Company for the latest approved transmittal sheet, for Company's Medicare Supplement product (the "Product"), as submitted by your Managing General Agency. In no event does this Schedule apply to persons with Licensed Only Agent Contracts. Terms not otherwise defined in this Schedule shall have the meaning set forth in the Agreement.

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### A. Commission

The Company shall use the following rates for policies issued on applications produced by you or, if applicable, other persons in your down line distribution who submit product applications that designate you. Your rate for each policy will be reduced by any rates the Company has assigned to other persons in your down line distribution for such policy, if any. In no event shall the rate credited to you and your down line distribution for each policy exceed the rate provided on this Schedule.

- Company: Loyal Christian Benefit Association
- Application and premium submitted to: Loyal Christian Benefit Association
- Commission paid by: Loyal Christian Benefit Association

Policy Form: LCBA Plan A, Plan B, Plan C, Plan D, Plan F, Plan G, Plan N and State Equivalents and State Special Plans

<b>Kentucky, Louisiana, Nebraska*, Montana, New Jersey*, Virginia*</b>									
<b>New Business, Internal &amp; External Replacement (Open Enrollment, Underwritten)</b>									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	23%	5%	2%	11%	5%	2%
<b>New Business, Internal &amp; External Replacement (Guaranteed Issue)</b>									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%
*Nebraska and Virginia Not Required to Have Under Age 65 Plans; Only Plan C is offered for Under 65 in New Jersey									

<b>Arizona</b>						
<b>New Business, Internal &amp; External Replacement (Open Enrollment, Underwritten)</b>						
	Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	23%	0%	0%	10%	0%	0%
<b>New Business, Internal &amp; External Replacement (Guaranteed Issue)</b>						
	Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0%	0%	2.5%	0%	0%

Colorado									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	8%	2.10%	1%	21%	2%	1%	21%	2%	1%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	21%	2%	1%	21%	2%	1%	21%	2%	1%

Delaware									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	1%	1%	23%	5%	2%	11%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	4%	1.5%	1.5%	4%	1.5%	1.5%	4%	1.5%	1.5%

Illinois									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	13%	2%	1%	23%	5%	2%	11%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%

Indiana				
New Business, Internal & External Replacement (Open Enrollment, Underwritten)				
	Ages 65 - 74		Ages 75+	
All Plans	Policy Years		Policy Years	
	1-8	9+	1-8	9+
Commission Rate	16%	0%	16%	0%
New Business, Internal & External Replacement (Guaranteed Issue)				
	Ages 65 - 74		Ages 75+	
All Plans	Policy Years		Policy Years	
	1-8	9+	1-8	9+
Commission Rate	2.50%	0%	2.50%	0%

Kansas									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	23%	5%	2%	11%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%

Michigan						
New Business, Internal & External Replacement (Open Enrollment, Underwritten)						
	Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years		
	1-3	4-10	11+	1-3	4-10	11+
Commission Rate	29%	7%	2.50%	13%	7%	2%
New Business, Internal & External Replacement (Guaranteed Issue)						
	Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years		
	1-3	4-10	11+	1-3	4-10	11+
Commission Rate	2.50%	0.50%	0.50%	2.50%	0.50%	0.50%

Minnesota									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	1%	1%	23%	5%	2%	10%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	4%	1.50%	1.50%	4%	1.50%	1.50%	4%	1.50%	1.50%

Missouri									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1 <sup>st</sup> yr	2-6	7+	1 <sup>st</sup> yr	2-6	7+
Commission Rate	2.5%	1%	1%	25%	17%	.5%	25%	17%	.5%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	4%	1.50%	1.50%	4%	1.50%	1.50%	4%	1.50%	1.50%

Ohio				
New Business, Internal & External Replacement (Open Enrollment, Underwritten)				
	Ages 65 - 74		Ages 75+	
All Plans	Policy Years		Policy Years	
	1-8	9+	1-8	9+
Commission Rate	22%	0%	10%	0%
New Business, Internal & External Replacement (Guaranteed Issue)				
	Ages 65 - 74		Ages 75+	
All Plans	Policy Years		Policy Years	

Level 6

	1-8	9+	1-8	9+
Commission Rate	2.5%	0%	2.5%	0%



Pennsylvania									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	23%	5%	2%	16%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%

Rhode Island									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	1%	1%	23%	5%	2%	10%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	4%	1.5%	1.5%	4%	1.5%	1.5%	4%	1.5%	1.5%

West Virginia						
New Business, Internal & External Replacement (Open Enrollment, Underwritten)						
	Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years		
	1-5	6-10	11+	1-5	6-10	11+
Commission Rate	25%	5%	2%	12%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)						
	Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years		
	1-5	6-10	11+	1-5	6-10	11+
Commission Rate	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%

Wisconsin									
New Business, Internal & External Replacement (Open Enrollment, Underwritten)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	23%	5%	2%	11%	5%	2%
New Business, Internal & External Replacement (Guaranteed Issue)									
	Ages Under 65			Ages 65 - 74			Ages 75+		
All Plans	Policy Years			Policy Years			Policy Years		
	1-6	7-10	11+	1-6	7-10	11+	1-6	7-10	11+
Commission Rate	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%	2.5%	0.50%	0.50%

## B. Commission Rules

1. The commission rate is the rate that is in effect on the application sign date of the issued policy. The commission rate is a percentage of premium.
2. The age used to determine the commission rate, is the age at the application sign date, except for insureds ages 65 and under, where the age at the policy effective date will be used. For insureds within one month of their 65<sup>th</sup> birthday, age 65 will be used to determine the commission rate.
3. Commission is calculated on the lesser of initial premium or paid premium.
4. Medicare Part B deductible premium is not commissionable. Commission is not calculated on premium increases.
5. For states that have Policy/Application fees, the fees are not commissionable.
6. Unearned commission within any policy year will be charged back on any premium refunded to the policy owner.
7. Commission will not be charged back for a policy terminated due to death of the insured.
8. Commission for the Product is vested and may be credited to you after the termination date if (a) the policy related to the Product remains in force, (b) the

premiums for the policy are credited to Company, and (c) you are under contract to Company as the General Agent for Medicare Supplement business.

9. Internal Replacements. Commission will be calculated when a new Loyal Christian Benefit Association Medicare Supplement policy replaces an existing Loyal Christian Benefit Association Medicare Supplement policy and the producer of record does not change. The commission on the new internal replacement policy will be calculated based upon the policy year of the policy currently being replaced.
10. The Company may, from time to time, issue schedules with respect to the Product which (a) amend, replace or terminate this Schedule, or (b) identify whether the Product is eligible for bonuses.

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## C. General Rules and Definitions

1. **Product Included.** The provisions and conditions of this Schedule shall apply only to the Product specifically identified in this Schedule.
2. **Non-assignment.** You may not assign or pledge as collateral any commission payable under this Schedule. Any attempt to assign commission under this Schedule shall be void.
3. **Administrative Rules.** The Companys administrative rules, practices and procedures may be revised, modified or supplemented by the Company from time to time.
4. **Laws & Regulations.** Commission on the Product set forth above may be adjusted as required by any applicable laws or regulations.
5. **Not Confidential Information.** Commission payments payable, paid or provided to you pursuant to this Schedule are not confidential and may be required to be disclosed to customers and/or potential customers. You shall comply with all applicable federal state and local laws and regulations, including without limitation, those laws requiring disclosure of compensation.

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This Schedule is in addition to any other schedules currently in force or that may come into force in the future, but supersedes any prior schedule related to commission on the Product. This Schedule shall remain in effect until changed or terminated by the Company.