

A Rewarding Partnership

Representative Compensation Overview



CUNA Mutual Group's Representative Compensation Program provides a balance of income stability through base salary plus an incentive compensation plan that is based on production. Representative compensation is based on a unique concept designed to reward achievement. Actual compensation is determined and paid according to the representative's contract and compensation schedules.

Plan Principles

- Reward Financial Services Representatives for performance in direct relation to CUNA Mutual's revenue and financial objectives.
- Financial Services Representatives will receive the same total compensation for the same production.
- Link compensation to performance in areas the Financial Services Representative can directly influence.
- Provide a plan that is simple to understand and administer.
- Support the sales planning and sales management process.
- Reinforce the CUNA Brokerage Services sales strategy



Three Forms of Representative Compensation

1 Base Salary & Draw

A minimum base salary will be paid semi-monthly. In addition, with manager approval, you may receive an additional draw amount semi-monthly. Each pay period, your production-based earnings will be applied to cover your draw, and after your first 18 months with CUNA Mutual Group, will be adjusted to cover the cost of your base salary, with the remainder paid to you as an additional incentive.

2 GDC Incentive

The GDC Incentive rewards you for sales performance. The GDC Incentive is calculated by using the incentive rate that corresponds to your total First-Year and Renewal/Trailers GDC generated in the Incentive Table on reverse side. This incentive is paid semi-monthly.

3 Company Benefits

As an employee of CMFG Life Insurance Company, your earnings are further supplemented by a complete package of paid and partially paid benefits. Consult your benefits package for complete details on the following:

- **Pension**
- **401(k)/Thrift Plan including employer match**
- Medical, Dental and Vision Insurance Benefits
- Disability Insurance (short and long term)
- License and Registration Fees
- Life Insurance
- Errors and Omissions Coverage
- Computer Equipment and Software
- Potential Production-Based Marketing Allowance
- Advisor core technology costs covered.



CUNA Brokerage Services, Inc.

Common Purpose. Uncommon Commitment.

CUNA BROKERAGE SERVICES

A fundamental value used to measure Representative performance and total cash compensation is **Gross Dealer Concession** ("GDC"). GDC is a common measurement for determining compensation on securities business in the financial services industry. CUNA Mutual has also assigned GDC values to other insurance/investment products so the entire compensation package is based on GDC. Each product has been assigned a GDC rate which indicates the relative value or marketing allowance for each product.

Incentive Tables

New Advisor

(0 to 18 mos. with CUNA Mutual Group)

Tenured Advisor

(more than 18 mos. with CUNA Mutual Group)

Month-to-Date GDC	Incentive Rate	Calendar-to-Date GDC	Incentive Rate	Total Comp.
0.00 - 10,000.00	24%	0.00 - 200,000	20%*	22%**
10,000.01 - 20,000.00	27%	200,000.01 - 250,000.00	27%	29%
20,000.01 - 30,000.00	30%	250,000.01 - 350,000.00	30%	33%
30,000.01 - 40,000.00	33%	350,000.01 - 500,000.00	33%	36%
40,000.01 - 50,000.00	36%	500,000.01 - 750,000.00	36%	39%
50,000.01 and over	39%	750,000.01 - 1,000,000.00	40%	44%
		1,000,000.01 - 1,500,000.00	41%	45%
		1,500,000.01+	42%	46%

*If Registered Representative reaches at least \$200,000 of Calendar YTD GDC in any calendar year, Registered Representative will be eligible for a minimum compensation rate of 24% in the following year.

**Total Compensation includes the Incentive Compensation earned for the sale of securities products plus the Employer Pension Plan and 401K match. Any portion of a benefit that exceeds the maximum allowable by the IRS is provided to you under an 'excess' plan

Specific Example of Gross Dealer Concession Calculation

Product	First Year GDC Rate	DC/ Premium	GDC Credited
Elite Protection (Level 20)	105.00%	600	630
MEMBER Zone 10	5.00%	100,000	5,000
Select Fixed Annuity	4.60%	40,000	1,840
Index Annuity (7 & 10 Year)	5.60%	125,000	7,000
SPIA	4.50%	135,000	6,075
Great American - SAFEOUT Q	4.25%	35,000	1,488
ING - Secure Index 7	5.55%	85,000	4,718
Fee Based Business (WRAP)*	100.00%	10,000	10,000
Mutual Funds and Brokered VA's*	100.00%	10,000	10,000
Total GDC			46,751

Note: Product GDC rates may vary based on issue age, amount and option. Please consult the Product Sales Desk for specific rates. Brokered Products placed through Ash Brokerage vary based on carrier, issue age, amount and option. Please consult CBSI Dealer Concession for specific rates.

*100% of what CBSI receives from MAM is applied to the advisor grid. Actual GDC rate applied to deposit amount is not 100%.

Information is subject to change based on product changes of each vendor.

Example of Total Incentive Compensation

GDC Generated	Incentive Rate	Total Comp. Earned
Total GDC based on example	36%	\$16,830
<i>Less Draw</i>		<i>\$1,000</i>
Total Incentive Comp. Earned		\$15,830

This example is designed to demonstrate how the compensation is calculated and that actual compensation will be based on your Representative Agreement and business sold.

Explanation of Total Compensation

Compensation Components	Compensation Amts./Pcts.
GDC Level (sales production)	550,000
Grid Rate	36%
Total Incentive Compensation	\$198,000
Pension Plan (4.4%)	8,712
401k Employer Match (5%)	9,900
Total Benefits	\$18,612
Benefits as a % of total compensation	3.4%
Total Incentive Compensation & Benefits	\$216,612
Compensation & Benefits as a % of Sales Production	39.4%

Representatives are registered, securities are sold, and investment advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. **Nondeposit investment and insurance products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the financial institution.** CBSI is under contract with the financial institution, through the financial services program, to make securities available to members.



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