



# Compensation & Promotion Guidelines

United States

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A Transamerica Company

# Our Platform. Your Dreams.

Never before and most likely, never again, will we experience a time of opportunity like we're living in today. In any industry – financial services included – one big marketing innovation can change the world. And, more importantly, it can change *your* world.

World Financial Group's (WFG) marketing innovation combines a world-class organization and resources to help people just like you reach their dreams. Earning a favorable return on your skills, knowledge, and time commitment requires the right model. If you're determined to own your future, the compensation and promotion structures offered by the WFG business platform are unlike anything you'll find in the financial industry.


WFG continues to expand each year as more everyday associates rise through the promotion levels to become successful leaders. Are *you* ready to claim the tremendous potential that awaits you at WFG?

## North American Earnings: Averages & Highest\*

The following are the average and highest earnings for a rolling 12-month period through March 2014 for North American associates who held life, securities, and/or investment advisory licenses.

Leadership Level	Average Earnings	Highest Earnings
Senior Marketing Director (life licensed only)	\$45,043	\$411,917
Senior Marketing Director (life and securities only)	\$57,916	\$449,055
Senior Marketing Director (life, securities, and advisory)	\$76,641	\$750,247
Executive Marketing Director	\$178,472	\$701,299
CEO Marketing Director	\$414,144	\$1,197,040
Executive Vice Chairman	\$960,565	>\$7,000,000

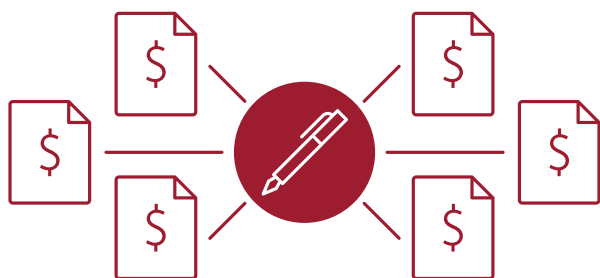
\* Different products are offered in the U.S., Puerto Rico, and Canada and may impact individual earning performance. Canadian earnings calculated using Canada to U.S. exchange rate as of March 31, 2014. Only U.S. associates can hold Investment Advisory licenses and registrations.



*Now the only question is,  
how much do **you** want to earn?*

# A Unique Blend of Ways To Earn Income

WFG throws open the doors to success for anyone with the spirit and desire to make a better life as a financial professional. We reward our associates with a robust compensation plan in the financial services industry on our diversified product portfolio. You get the industry's most powerful business platform where, from day one, you'll have access to the support and systems necessary to get started and continue to grow at every level. As you advance through our ranks and build your business, you will have the opportunity to earn more money while helping more people.



## Personal Income

Every time you help a client and write new business, you earn a commission. As you reach certain preset levels, your commission percentage increases. Because we encourage our associates to reach out to everyone, and not just high earners, there are no limits to how many people you can help.



## Training Income

Promotions open the doors to match up opportunities and the position to train new associates. As the associates you train write new business, you earn a portion of the overall commissions.



## Expansion Income

There are no territories to hold you and your business back. You're free to expand your business anywhere in North America. From a local team to teams that you establish in other towns or even other states, our platform will support your efforts and help you support your organization.



## Bonus Income

Qualified leaders earn a pro-rata share of an override on our entire company. Your portion of the bonus can grow based on your organization's production. Company-wide bonus pools can multiply and compound your earning potential, while rewarding leaders for the quantity and quality of their business.

# Get to know our language.

## Generation

Each step on the promotion ladder is considered a generation in relation to the people above and below you.

## Generational Override

Once you reach the Senior Marketing Director Level, you're eligible to receive overrides for Senior Marketing Directors you develop for up to six generations deep. Overrides are the earnings you receive from business produced by the people in your organization.

## Rolling Time

The flexible period (days or months) used to calculate your production for a promotion. For example, a rolling three (3) months from April would include February, March and April.

## Points

The values used for promotions, contests, and leaders bulletin rankings and other recognition which are calculated from the total revenue generated. Our point system, crossing multiple companies and products, is unique to our platform. Points are accumulated based on the type of product sold and the total to the field percentage.

# Guidelines<sup>1</sup>

## Base Development

	Associate (Level 10) <sup>2</sup>	Marketing Director (MD - Level 17) <sup>2</sup>	Senior Marketing Director (SMD - Level 20) <sup>3, 4</sup>
Rolling Time	30 days	3 months	3 months
Associates/Legs	3 New Associates	3 Direct Associates	3 direct legs (1 direct leg must be MD level 17)
Licensed Associates in your organization	—	5 (life licensed)	10 (6 life licensed)
Field Training Appointments	3 (non-securities only)	—	—
Production	—	40,000 base shop net points	75,000 base net points <sup>5</sup>
Cash Flow (Rolling Time)	—	—	\$35,000 or more (12 months)

### Alternate

Rolling Time	3 months	—	12 months
Production	20,000 net points	—	225,000 base net points <sup>5</sup>
Cash Flow (Rolling Time)	—	—	\$35,000 or more (12 months)

## Executive Development

	Executive Marketing Director (EMD - Level 65) <sup>6</sup>	CEO Marketing Director (CEO MD - Level 70) <sup>6</sup>	Executive Vice Chairman (EVC - Level 87) <sup>6</sup>
<b>Rolling 6 Months</b>			
Direct SMD Legs	3 <sup>7</sup>	6 <sup>7</sup>	9 <sup>7</sup>
Base - 1st Net Points	500,000 <sup>5</sup>	1 million <sup>5</sup>	1.5 million <sup>8</sup>
<b>Rolling 12 Months</b>			
Direct SMD Legs	3 <sup>7</sup>	6 <sup>7</sup>	9 <sup>7</sup>
Base - 1st Net Points	750,000 <sup>5</sup>	1.5 million <sup>5</sup>	2.25 million <sup>8</sup>



# Compensation Guidelines<sup>9</sup>

## Business Development

Title	Fixed: WRL	Based on 100% Table <sup>10</sup>	
	Basis Points <sup>10,11</sup>	Fixed: Other	Variable
Training Associate	30	25	25
Associate	45	35	35
Marketing Director	62	50	50
Senior Marketing Director	80	65	65

## Business Expansion

Title	Fixed: WRL	Based on 100% Table <sup>10</sup>	
	Basis Points <sup>10,11</sup>	Fixed: Other	Variable
1 <sup>st</sup> Generation	17	12	10
2 <sup>nd</sup> Generation	8	6	5
3 <sup>rd</sup> Generation	5	4	3
4 <sup>th</sup> Generation	3	3	2
5 <sup>th</sup> Generation	2	1.5	1
6 <sup>th</sup> Generation	1	1	0.5
<b>Total Generation Override</b>	<b>36</b>	<b>27.5</b>	<b>21.5</b>

## Business Supervision (Variable Business Only)

Position	Variable
Branch Office Supervisor	1.25
Branch Office Manager	5.5
OSI Manager	1
<b>Total Supervisory Override</b>	<b>7.75</b>

## Total Bonus Pool Contribution

	Fixed: WRL	Based on 100% Table <sup>10</sup>	
	Basis Points <sup>10,11</sup>	Fixed: Other	Variable
	<b>9</b>	<b>7.5</b>	<b>5.75</b>
<b>Total</b>	<b>125 points</b>	<b>100%</b>	<b>100%</b>

### Base shop Bonus Pool<sup>12,13,14</sup> **40%**<sup>15</sup>

- SMD level and higher
- 10,000 base shop net points with 3 or more Recruits; **or** 15,000 base shop net points with less than 3 Recruits
- Requires a minimum 60% Tracked Block of Business<sup>16</sup>
- Pays top 300 Qualifiers

### Super Base Bonus Pool<sup>14,17</sup> **30%**<sup>15</sup>

- EMD level and higher
- 15,000 base shop net points and 100,000 base through 1<sup>st</sup> Generation net points
- Requires a minimum 60% Tracked Block of Business
- Pays on 1<sup>st</sup> Generation net points
- Base shop qualification exemption for Chairman's Circle and President's Circle members

### Super Team Bonus Pool<sup>14,17</sup> **30%**<sup>15</sup>

- EMD level and higher
- 100,000 base through 1<sup>st</sup> net points and 500,000 base through 6<sup>th</sup> Generation net points
- Requires a minimum 60% Tracked Block of Business
- Pays on 1<sup>st</sup> through 6<sup>th</sup> Generation net points

## Gross Points

The sum of your total points: all positive points plus any negative points generated by internal corrections, such as repays.

## Net Points

The sum of your total points (both positive and negative).

## Net Point Ratio

Your net points divided by your gross points. This calculation provides a general comparison of the ratio of total submitted business to that which is issued and in-force.

## Leg

Anyone you personally add to your organization including their team.

## Base Shop

The Training Associates, Associates, Marketing Directors and the Senior Marketing Director.

## Super Base

The Senior Marketing Director's base shop and the 1<sup>st</sup> generation SMDs and their base shops developed within your organization.

## Super Team

The Senior Marketing Director's base shop and six generations of SMDs and their base shops developed within your organization.

# The WFG Dream

The following examples show how helping a family results in a \$2,775 commission paid to the field, with the commission based on an average Life Insurance Policy sale to a 40-year-old male who is contributing \$185 per month to the policy.<sup>18,19</sup>



**\$106,560**<sup>20,21,22</sup>

**SMD Personal Production**

Produce 5 personal sales/month



**\$231,768**<sup>20,21,22</sup>

**Build a Base shop**

Produce 3 personal sales/month

Develop 3 associates who  
produce 4 sales/month



**\$330,869**<sup>20,21,22</sup>

**Build a Super Base**

Develop 3 Associates who  
produce 6 Sales/month

Develop 6 1<sup>st</sup> Generation SMDs  
who produce 6 sales/month



**\$513,086**<sup>20,21,22</sup>

**Build a Super Team**

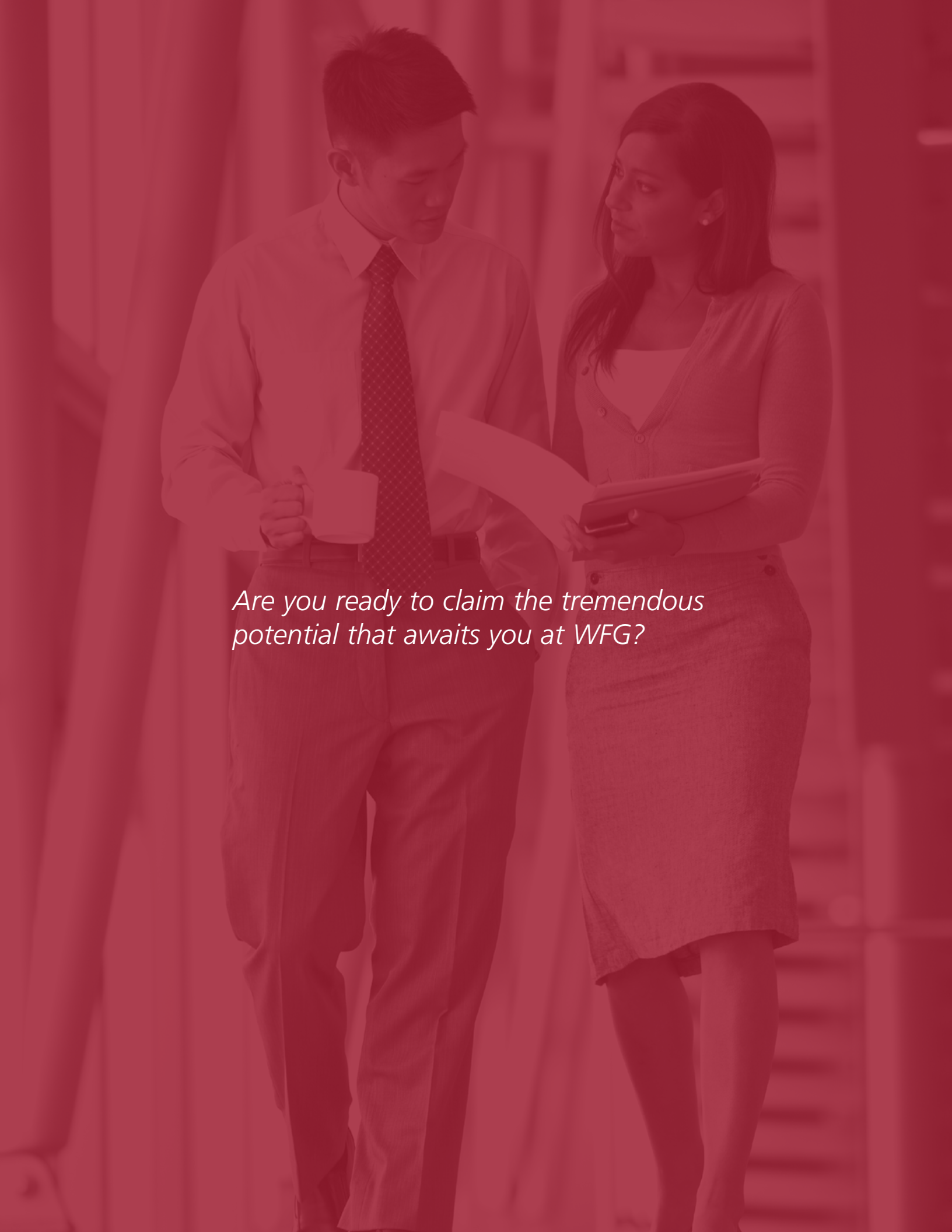
Develop 3 Associates who  
produce 6 Sales/month

Develop 6 SMDs in each of the  
6<sup>th</sup> generations below you

Each Generation SMD produces  
6 sales/month

**This doesn't even include income available to associates from renewals, trails, fees, bonuses, or sales from the diversified product portfolio.**

Many people have experienced different levels of success with WFG. However, individual member experiences may vary. This is not intended to, nor does it, represent that any current member's individual results are representative of what all participants achieve when following the WFG system.

A man and a woman in business attire are walking and talking. The man is on the left, wearing a light-colored shirt and a patterned tie, holding a white mug. The woman is on the right, wearing a light-colored cardigan over a white top and a skirt, holding a folder. The background is a blurred office setting. The entire image is overlaid with a semi-transparent red filter.

*Are you ready to claim the tremendous  
potential that awaits you at WFG?*

- 1 World Financial Group's promotion guidelines are subject to change at any time. Unless otherwise specified, promotion guidelines are for all WFG associates.
- 2 Promotion requires approval of direct upline SMD.
- 3 Promotion requires approval of direct SMD and CEO MD.
- 4 The Builder's Exchange is a one time option that can only be requested concurrently with the SMD promotion.
- 5 No more than one-half (1/2) Net points can be personal and one-half (1/2) or less Net points can be from any other leg for SMD promotions. For EMD & CEO MD promotions, no more than one-half (1/2) Net points can be personal and only one-half (1/2) or less can be from any other leg or your own base shop.
- 6 Points/Legs earned through Base Shop Standard of Excellence will not count toward promotions. To maintain an EMD promotion, an associate is required to be dually licensed. If an associate is not dually licensed at the time of his/her promotion to EMD, he/she must obtain his/her securities license within six (6) months from the date of the promotion.
- 7 An exception promotion to Level 20 will not count as a leg toward an upline's Executive Level promotion until that Level 20 associate fulfills all the published SMD requirements. A recent transfer cannot count as a qualified SMD leg for a period of six (6) months.
- 8 No more than one-third (1/3) of Net points can be personal and one-third (1/3) or less Net points can be from your own base shop or any other leg.
- 9 WFG is the paymaster of any compensation to associates from World Financial Group Insurance Agency, Inc. and its subsidiaries and Transamerica Financial Advisors, Inc., Transamerica Financial Group Division. The compensation guidelines are subject to change at any time and, unless otherwise specified, these guidelines are for all WFG associates. Base shop Standards of Excellence rules may apply. Please see the WFG Field Manual for more information on these rules.
- 10 The 100% Table varies from the WRL Basis Points due to rounding.
- 11 This example only applies to fixed WRL products that pay 125 to the field.
- 12 Meeting the minimum requirements does not guarantee inclusion in the Base shop Pool.
- 13 For bonus pool payout information, please check your commission statement on MyWFG.com.
- 14 Pool compensation is subject to change at any time without prior notification.
- 15 Percentage of total pool dollars.
- 16 If an SMD (Level 20) meets the points and/or recruit requirements and does not have the minimum Tracked Block of Business (TBB), he/she will be given two exemptions to remain in the pool. However, if the SMD falls below the minimum TBB after using the two exemptions, he/she will be excluded from any Base shop Pool for which he/she does not meet the TBB requirement. Individuals eliminated from the Base shop Pool will be replaced by other qualifiers to fill out the top 300. The two exemptions are only available to SMDs.
- 17 Unless otherwise specified, to participate in the Super Base and Super Team bonus pools the associate must be securities licensed.
- 18 Opportunities to build other income may be achieved by qualifying for additional compensation and by qualifying for bonus pools.
- 19 Commission amount may vary based on product type and size of purchase.
- 20 This is a hypothetical scenario for illustrative purposes only. There is no assurance that these results can or will be achieved. Income is earned from sales of WFG authorized products and services. No income is earned from recruiting. See the current WFG Field Manual for compensation percentages on all diversified product lines. All compensation plans subject to change. Promotional criteria/designations are determined and offered by or through WFG. Personal percentages earned on products may vary based on promotional level with WFG. Assumes WFG Associate contract level of 36%, SMD contract level of 64%, SMD override level of 28%.
- 21 Associates of WFG are independent contractors, regardless of field title/designation.
- 22 Example assumes all SMD's team members are at the Associate level.



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