

Foresters  
Financial

Learning  
Academy

Presents

# Compensation



For Producer Use Only  
414866 US (02/17)

# Agenda:

- **Who can receive commission**
- **Commission cycles**
- **Payment options & limitations**
- **Where to find commission statements**
- **Replacement Rules**
- **Debt management**



## Who's allowed to get paid?

### Depends on contract agreement:

- **Individual Agent**
  - Paid directly to appointed agent
- **Agent within Corporation**
  - Individual producer code for each appointed agent
  - Corporate ID not allowed to write business
  - Commissions paid directly to Corporation
    - Provided Corporation is state-licensed, and
    - Contract agreement completed in corporate name
    - Agreement signed by Principal
- **Third Party**
  - We do not support assignment of commission

## When do I get paid?

### Timing of commissions:

- Agent options
  - Weekly EFT- Default for all producers
  - Daily EFT



## When do I get paid?

- **Weekly EFT- Default**
  - **Commission run every Wednesday**
  - **Bank deposit Fridays**
    - **Processing time: Smaller banks and credit unions may experience an extra day**
  - **Commission included in current cycle**
    - **Cutoff for outstanding requirements: Tuesday 5p.m.**
    - **Business issued by Wednesday 5P.M.**
    - **Minimum commission \$50.00**

## When do I get paid?

- **Daily EFT**
  - Commissions processed every business day
  - Minimum commission \$50.00
  - Generally takes 2 business days from draft/process to payment
  - Commission statements produced weekly
  - Check up-line for availability

## Am I eligible for Daily Pay?



- **Who's not eligible for Daily Pay**
  - Agent with garnishment/court ordered
  - Agent with debt balance at time of request
- **Process to request Daily Pay**
  - **New Agent**
    - Page 5 of application includes request
  - **Existing Agent**
    - **Completion of commission payment frequency form**
      - » Form location- "get contracted" under general document within ezbiz
      - » Form name- "commission payment frequency change request"
    - **Completed form to Foresters Compensation Team**
      - » E-mail: [fieldcomp@foresters.com](mailto:fieldcomp@foresters.com)
      - » Fax: 1-866-289-6656
    - **2 business days to process**

## How do I get paid?

### – How do Commissions get Paid?

- **As- Earned**
  - Commissions paid as premiums applied to certificate
  - All controlled business
- **Advanced**
  - Check with your up-line for availability

### – First-year commissions (FYC)

- **Paid at issue**
  - Certificate issued as applied for
  - Correct premium received
    - » No premium shortage greater than \$5.00
- **Paid at Delivery**
  - Certificate issued Payment on Delivery (POD)
  - Premium shortage greater than \$5.00
  - Life amendment required



## How do I get paid?

- **Controlled Business**
  - All business written on the following lives considered “Controlled” business
    - Agent's life
    - Spouse/partner
    - children/step-children
  
  - All business written whereby the agent is the following considered “Controlled” business
    - Payor
    - Certificate owner
    - Beneficiary
  
  - All “controlled” business, commission will be paid as earned regardless of compensation arrangement.

## What's not Commissionable?

- **What's non-commissionable premium?**
  - **Internal Rollovers**
    - No FYC paid on internal rollover money
  - **Pre-paid Premiums**
    - No FYC on premiums pre-paid for future years
    - Where applicable, renewal commissions paid in year premiums allocated to certificate

## Finding commission statements?

- **Commission statements**
  - **Current statements found on ezbiz**
    - **My current commission statement**
  - **Previous statements found on ezbiz**
    - **My Contracting & Compensation**

The screenshot shows the Foresters Financial ezbiz website. The top navigation bar includes 'Foresters Financial | ezbiz' and 'Site Map | Contact Us'. Below the navigation bar, there are several menu items: 'Foresters Difference', 'My Business', 'Products', 'Training', 'Forms & Brochures', 'Marketing', and 'Specialty'. A sidebar menu on the left lists 'Foresters Conventions', 'Wyoming YTD Leaderboard', 'Wyoming Tracker - Agent', 'Wyoming Tracker - IMO', 'Wyoming Tracker - MGA', 'Alaska YTD Leaderboard', 'Alaska Tracker - Agent', 'Alaska Tracker - IMO', and 'Alaska Tracker - MGA'. Below this, there are sections for 'My Business & Reports', 'Certificate Details', 'My Current Commission Statement' (highlighted with a red box), and 'My Contracting & Compensation' (highlighted with a blue box). The main content area features a 'Breaking News!' section with a 'Coming soon' banner. The banner text reads: 'Write Your Legacy Single Premium Whole Life<sup>1</sup> business using iPipeline's iGO e-App.<sup>2</sup> Another way Foresters Financial™ is making it easier for you to do business. Stay tuned for more information. In the meantime, get ready with the [updated e-App training presentation](#)'. The banner also includes a megaphone icon and various business-related icons.

## Replacement rules

- **New certificates considered a replacement:**
  - **If it meets the definition of “Replacement”**
  - **Applicable to all replacements identified**
    - **At time of submission**
    - **For partial or full conversions where old certificate been inforce less than 24 months**
    - **Certificate issued within 13 months of lapsed or surrendered certificate on the same life (either pre or post application date)**
  - **First year compensation from replacement of Foresters Financial™ business**
    - **Based on increase in annualized commissionable premium only**

# What is Debt Management?



## Debt Management

- **Charge Backs**
  - **Agent paid “As-Earned”**
    - No first-year commission charged back
    - Except: Certificate is not taken or rescinded
  - **Agent paid advanced commission**
    - Charge back amount equals difference between advancement and earned premium
- **When does debt roll-up occur?**
  - Debt greater than \$100 for period of 12 consecutive weeks
  - Agent contract terminated

# What is Debt Management?

## Debt Management

- **Agent placed on Vector List**
  - **Agent terminated with debt balance over \$400**
- **Payment types accepted for debt repayment**
  - **Check**
  - **Credit card**
    - **Visa**
    - **MasterCard**
    - **Discover**

## How do I contact the Compensation Department?

### Mailing address:

Foresters Financial  
Attn: Contracting & Compensation Services  
P.O. Box 179  
Buffalo, NY 14201-0179

- **Phone:** 866-466-7166, option 2 Monday-Friday 8:00-8:00 p.m. ET.
- **E-mail:** [fieldcomp@foresters.com](mailto:fieldcomp@foresters.com)
- **Fax:** 866-289-6656

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# Thank you!

Any questions?



Our Foresters Financial Sales Support team is only a call away, 866-466-7166, option 1 Monday-Friday 8:30-7p.m. ET.

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