



PRODUCER COMPENSATION DISCLOSURE

Fidelity

The information set forth below applies to Fidelity bonds, and reflects compensation paid on eligible policies written during the most recent contract period. It may not reflect historic compensation rates on all in-force policies.

Compensation paid on any particular policy of insurance is based on a variety of factors. As a result, producers who have agreements under which they can earn particular types of compensation do not always earn compensation under those agreements. Furthermore, we sometimes pay compensation outside of the ranges specified below.

Nonetheless, where we report a range of low to high compensation, that information reflects what we paid to at least ninety percent of the producers who earned compensation of that type. Averages, on the other hand, reflect amounts paid to one-hundred percent of producers who earned that type of compensation.

Base Commissions

Last year, base commissions on new and renewal Fidelity bonds ranged from a low of 10.0% to a high of 30.0% of the premiums on eligible bonds, and averaged 17.2%.

Contingent Compensation

In addition to the base commissions reflected above, a producer may also receive contingent compensation on certain eligible Fidelity bonds. Last year, contingent compensation on both new and renewal Fidelity bonds ranged from 1.5% to 4.8% and averaged 3.2% of the premiums on eligible bonds.

Fixed, Value-Based Compensation

In addition to the base commissions reflected above, and in lieu of contingent compensation, a producer may elect to receive fixed, value-based compensation on certain eligible Fidelity bonds. Last year, these payments ranged from a low of 1.0% to a high of 5.3% of the premiums on eligible bonds and averaged 3.3% for both new and renewal business.

Business Production Incentives

Last year, we did not pay business production incentives on Fidelity bonds.

Promotional Expense Reimbursements

We may also reimburse certain producers' expenses relating to marketing activities. Reimbursable expenses may include advertising costs, travel to and attendance at Travelers-sponsored conferences or events, training expenses, or the costs of goods and services that help to promote our company and our products.

Your insurance broker or independent insurance agent can provide additional information about specific compensation received in connection with your bond.