



## **PRODUCER COMPENSATION DISCLOSURE**

### **Ocean Marine**

The information set forth below applies to Ocean Marine policies, and reflects compensation paid on eligible policies written in 2008. 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 Ocean Marine policies ranged from a low of 15% to a high of 30% of the premiums on eligible policies. Average base commissions were 22.1% on new policies and 23.3% on renewals.

### **Contingent Commissions**

In addition to the base commissions reflected above, a producer may also receive contingent commissions on certain eligible Ocean Marine policies. Not all producers who have contingent commission agreements with us actually earn payments under those agreements. Last year, contingent commissions on both new and renewal Ocean Marine business ranged from 0.2% to 4.3%, and averaged 1.8%, of the premiums on eligible policies.

### **Fixed, Value Based Compensation**

In addition to the commission percentages reflected above, and in lieu of contingent commissions, a producer may elect to receive fixed, value-based compensation on certain eligible Ocean Marine policies. Last year, these payments ranged from a low of 0.4% to a high of 4.9% of the premiums on eligible policies, and averaged 2.4%, for both new and renewal business.

### **Business Production Incentives**

We do not pay business production incentives on Ocean Marine policies.

### **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 other 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 policy.