

COMMISSION RATE CHANGES IN SAGITTA/PUEO

1.0 Purpose

The purpose of this procedure is to ensure all changes with respect to commission rates are documented and validated.

2.0 Scope

This procedure applies to all changes to commission tables in Sagitta and/or Pueo.

3.0 Policy

Commission rate changes can only be implemented with authorization from Sr. Vice President of Business Development or Executive Vice President using "Commission Rate Change Request Form". Accuracy of change made by Business Analyst must be validated by review conducted by IT Manager and documented on "Commission Rate Change Request Form" each quarter.

Business Development must review all changes to Payee or Producer commission, when received from carrier, it must be by written contract, addendum or carrier bulletin, and when received by wholesaler or broker, at a minimum it must be on the broker's letterhead or by broker bulletin and submit the change request to MIS on a timely basis.

On those occasions when Operations or Accounting receives or becomes aware of a commission rate change, contact Business Development immediately for further review so that Sagitta and/or Pueo will be updated within a timely basis.

Individually negotiated commission for a specific policy is excluded from this Policy since the commission is coded directly on the policy and not in the Sagitta &/or Pueo commission tables.

"Timely basis" is defined as within ten working days, unless additional info or clarification requires a reasonable additional time.

4.0 Exemptions

No exemptions.

5.0 Effective Date

February 1, 2006

6.0 Policy Revisions

Atlas retains the right to make revisions and changes to this policy at any time.