



**Mississippi
Group
Marketing, P.A.**

Where Your Needs Are In Our Best Interest

July 13, 2005

TO: All Mississippi Group Marketing (MGM) Clients

RE: Insurance Agent Compensation Disclosure Notification

Earlier this year the National Association of Insurance Commissioners completed consideration of the first insurance producer compensation disclosure model. This model will serve as a guideline for state legislatures who want to pass legislation in the area of insurance agent compensation disclosure. Consequently, many insurance companies are beginning to implement their own compensation disclosure guidelines, although many states are not expected to seek such regulations. Therefore, many of you will likely receive disclosure forms in the future asking you to verify, by signature, that you accept and understand how MGM is compensated for your insurance account.

As insurance agents licensed by each State in which we do business, we receive commissions and/or fees from insurance companies and administrators for selling their products. Also, some provide an opportunity to receive bonuses, normally based on the profitability of a particular segment or line of overall business. From the beginning, this has been the way insurance agents and agencies have been compensated.

As it pertains to situations where MGM has been retained as a consultant, we would normally charge:

1. A consulting fee based upon the amount of work we do on an hourly basis, or
2. An agreed upon fee based upon the overall scope of our responsibilities and duties in behalf of the client over a specified period of time.

Where MGM is retained to provide consulting services, we accept no compensation from insurance companies/administrators for business related to our consulting services.

Additionally, some companies/administrators may provide agents with compensation in other forms such as (but not limited to) meals or trips, although this practice is not as prevalent as in the past.

At MGM, we appreciate the opportunity to serve our clients by providing the highest possible level of product, price and service. We understand that working for our clients is a privilege we must earn every day.

Please call us if you have questions about disclosure or any other subject. For convenience, we also have posted a copy of this letter on our website: www.mgmins.net.

Best Regards,

Mississippi Group Marketing, P. A.