



PRODUCER COMPENSATION DISCLOSURE

Personal Insurance -- Automobile

The information set forth below applies to Personal Automobile policies, 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.

In most states, we issue more than one type of private passenger automobile insurance product. Generally, however, at any point in time, only one of our automobile insurance products is open to accept new customers. The other automobile product(s) are closed products and, therefore, available only to customers who already have such a policy.

Customers in one of our closed products may request a policy in our open automobile insurance product. The base commission we pay producers for business placed in our open automobile insurance product is generally lower than the base commission we pay for policies in the closed automobile products. Also, in many states, we pay producers a lower homeowners base commission when the producer has not placed the automobile policy for the same customer with us.

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 Personal Automobile policies averaged 11.8% of the premiums on eligible policies.

Contingent Compensation

In addition to the base commissions reflected above, a producer may also receive contingent compensation on certain eligible Personal Automobile policies. Last year, contingent compensation on Personal Automobile business ranged from 1.0% to 8.5% and averaged 2.1% of the premiums on eligible policies.

Fixed, Value-Based Compensation

In addition to the base commissions reflected above, and in lieu of contingent compensation, a producer may also receive fixed, value-based compensation on certain eligible Automobile policies. Last year, these payments averaged 1.9% of the premiums on eligible policies.

Business Production Incentives

At times we will provide producers or their employees the opportunity to receive additional compensation for placing specific types of policies with us, helping us pursue business opportunities with their customers, or performing other tasks. The form of compensation might be additional commission, a specific dollar amount or merchandise. Last year, these payments ranged from 1.5% to 10.0% of the premiums on eligible policies and averaged 2.9% on new business.

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.