

PAYOUT ON GROSS PRODUCTION*

ANNUAL PRODUCTION	LESS THAN 5 YEARS	5-9 YEARS	MORE THAN 9 YEARS
\$0-\$124,999	33.25%	20%	20%
\$125,000-\$149,999	33.25%	22%	21%
\$150,000-\$174,999	34%	27%	25%
\$175,000-\$199,999	36.25%	29%	27%
\$200,000-\$249,999	37.75%	30.5%	29.5%
\$250,000-\$299,999	38.75%	37.5%	33%
\$300,000-\$349,999	39.5%	39.25%	38.5%
\$350,000-\$399,999	39.5%	39.5%	38.75%
\$400,000-\$499,999	40%	40%	40%
\$500,000-\$749,999	41%	41%	41%
\$750,000-\$999,999	41.5%	41.25%	41.25%
\$1 million or more	43%	42%	42%

* Smith Barney actually pays out at just 20% for the first \$5,000 in monthly gross production, except for advisors who have been in the industry for less than five years.

CASH BONUS

CONTINUOUS SERVICE AT SMITH BARNEY

	PRODUCTION	BONUS
More than 5 years	\$350,000	1%
More than 7 years	\$500,000	2%
More than 7 years	\$750,000	3%
More than 9 years	\$1 million or more	3.5%

A \$2,500 bonus is added to the five-year and 1% bracket, as well as the seven-year and 2% bracket.

DEFERRED PRODUCTION BONUS

PRODUCTION	BONUS
\$300,000-\$999,999	0.25%
\$1 million-\$1,499,999	1%
\$1.5 million-\$1,999,999	1.75%
\$2 million-\$2,999,999	2%
\$3 million-\$4,999,999	2.25%
\$5 million or more	2.75%

RESTRICTED STOCK AWARD

PRODUCTION	MORE THAN 7 YEARS	MORE THAN 15 YEARS
\$500,000-\$1,499,999	2%	2%
\$1.5 million or more	2%	3%

SOURCE: SMITH BARNEY