This TechNote highlights a recent enhancement to the **Commissions** module in **Agency Integrator**, available after our release on May 31, 2014.

A new value: **Net Override** can now be used in the Commissions calculation process. This allows you to pay out another "layer" of payees before arriving at the Agency's final Net amount. Net Override is calculated by taking the Override minus all payments for the Hierarchy, ECP, and Special Deals. Then, you can base additional payments on that Net Override value through Schedules and ECP.
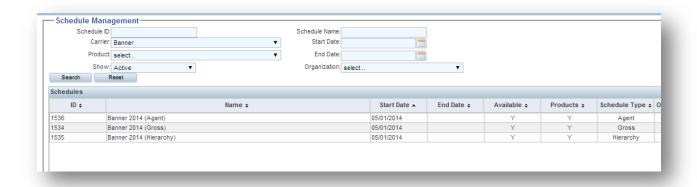
Net Override is replacing the current concept of **Adjusted Override**. In a future release, you will also be able to base a Special Deal payment on Net Override. But currently, Special Deals can only be based on the legacy amount of Adjusted Override.
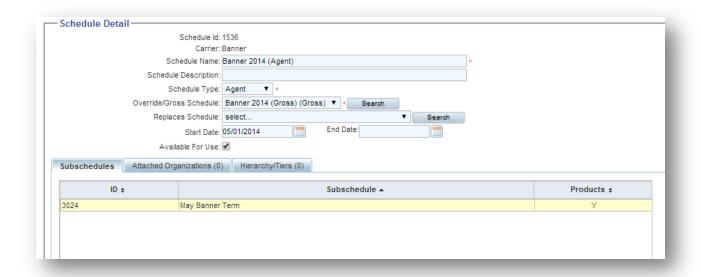
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Net Override in an Agent or Hierarchy Schedule

To use Net Override in an Agent or Hierarchy schedule you need to open the desired Schedule (or create a new Schedule) and navigate to the Subschedule to enter the Rate.
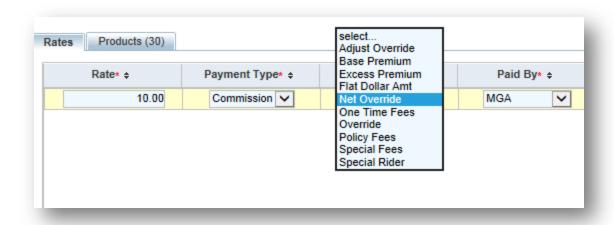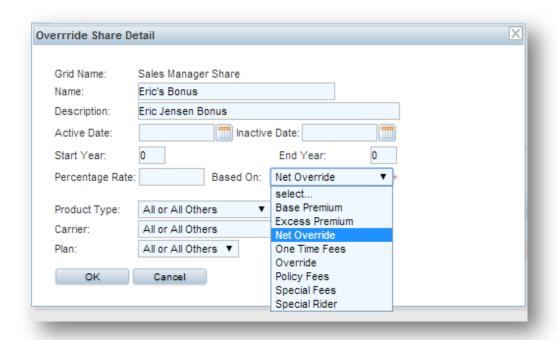
Select the Schedule:

Select a Subschedule:

Enter the Rate. For the **Based On** option, select **Net Override**:

TechNote: Net Override

Net Override in ECP

To base an Employee Compensation payment on Net Override, navigate to Administration, Commissions, and **Employee Compensation**.   Click **New Grid** or double click to open an existing Grid. Add a new Override Share or edit an existing Override Share, and note that there is a new **Based On** option for **Net Override**:

TechNote: Net Override

Sample of Net Override

Policy with $1,000.00 Base Premium

Gross Schedule
(Based on Base Premium)   200%   of $1,000.00 = $2,000.00
Agent Schedule
(Based on Base Premium)   90%   of $1,000.00= $900.00

                                        Override =   **$1,100.00**   (Gross minus Agent)

Subtract Payments Based on Override

Hierarchy Payment
(Based on Override)   10%   of $1,100.00 = $110.00
Special Deal
(Based on Base Premium)   20%   of $1,000.00 = $200.00

                                        Net Override =   **$790.00**   (Override minus Payments Based on Override)

Subtract Payments Based on Net Override

Agent Payment
(Based on Net Override)   10%   of $790.00 = $79.00
Hierarchy Payment
(Based on Net Override)   10%   of $790.00 = $79.00

                                        Net =   **$632.00**   (Net Override minus Payments Based on Net Override)

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