



LIC

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

A TO Z OF AGENCY BENEFITS AND RECOGNITION



LET US EXPLORE.....

P. Sridhar/Dev Officer/Chennai

MINIMUM BUSINESS GUARANTEE

➤ **What is an Agency Year & Agency Month?**

➤ How are they Calculated?

➤ **What is Minimum Business Guarantee?**

➤ 12 Different LIVES in an Agency Year

➤ 6 LIVES & 50,000 Premium

➤ 1 Lac Premium



BONUS COMMISSION



- ✓ Commission rates for ALL PLANS known to you. Let me send Chart once again in Whatsapp
- ✓ Now, let us see the Rules for Bonus Commission
- ✓ 40% of eligible First Year Commission (25+10 = 35)
- ✓ *Minimum 6 Lives & 50000 Premium every year*
- ✓ If an Agent has earned Bonus Commission for 5 successive years, *he will get it in 6th year by default* even if norms are not fulfilled
- ✓ **For an Agent who had completed 15 years of service, Bonus Commission goes automatically**



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CLUB MEMBERSHIP?



- ❖ Recognition for meritorious agents
- ❖ Performance reward
- ❖ Financial & Non-Financial motivator
- ❖ Inducement for higher performance



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WHAT ARE THE CLUBS?

- ♪ Chairman's Club
- ♪ Zonal Manager's Club
- ♪ Divisional Manager's Club
- ♪ Branch Manager's Club
- ♪ Distinguished Agents Club



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NEW CLUB RULES



* Just 4 Points to remember.....

* Every Club Member should compulsorily introduce New Business every year

* In addition to it, they can qualify either by doing higher New Business or having more inforce policies.

* Renewal Commission

* First Year Commission



CLUB MEMBERSHIP ELIGIBILITY CRITERIA

Sr.	Name of Club	CM's Club	ZM's Club	DM's Club	BM's Club
1.	Minimum Net No. of Lives	40	30	20	15
2.	a. Net No. of Lives	130	100	80	50
	OR b. No. of Lives In-force	600	400	250	150
3.	Renewal Commission Paid (Rs.)	2,00,000	1,40,000	90,000	50,000
4.	First Year Commission Paid (Rs.)	2,00,000	1,40,000	60,000	35,000

IMPORTANT CONDITION

Lapse Ratio in all the
3 years should be less
than 15%

NO. OF YEARS FOR WHICH CRITERIA WILL HAVE TO BE FULFILLED

- ❖ **Qualifying Year** and
- ❖ **2 out of 3 Financial Years** preceding the **Qualifying year**
- ❖ For both **Entry and Continuation**



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CONDITION NO.1

- Minimum Net Number of Lives
- to be fulfilled
- In the Qualifying Year and
- In each of the years reckoned
- For Entry/Continuation of club membership.
- **This is a mandatory condition**



CONDITION NO. 2

Net Number of Lives/ Number of Lives in force

- An agent can bring in either
 - (A) Net number of LIVES
 - or**
 - (B) Should have the requisite number of LIVES in force in the years reckoned for his entry/Continuation of his/her club membership
- He/she has to fulfill either condition 2A or 2B.



CONDITION NO.3

- ▶ Required First Year Commission as per Chart. If there is Shortfall in fulfillment of **First Year Commission** (paid) condition, LIC can condone as given below
- ▶ Condonation maximum up to **50%**,
- ▶ To be compensated with **same or higher percentage** increase
- ▶ on the basic condition prescribed for **Renewal Commission paid**



CONDITION NO.4

©Required Renewal Commission as per Chart. Here also, Shortfall in fulfillment of **Renewal Commission** can be condoned as below

©**Condonation** up to a maximum of **100%**

©To be **compensated** with **same or higher percentage** increase

©on the basic condition prescribed for **First Year Commission paid.**



ESCALATION CLAUSE

- ✦ **As LIC is interested to increase FYC & RC of Agents, this Escalation Clause has been introduced in Club Membership**
- ✦ **Escalation by 5 % each year** on Previous years existing criteria in respect of First year commission paid and Renewal commission paid Rounded off to nearest thousand
- ✦ This has come into effect for NEW ENTRY from MY 2017-18 and for CONTINUATION from MY 2018-19 which please note

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DA CLUB MEMBERSHIP

- ✓ **First Step in Club Membership**
- ✓ Any Agent who has completed ONE YEAR service will be eligible
- ✓ Minimum Net Lives : 40
- ✓ Minimum First Yr Comm: Rs.50,000/-



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CLUB MEMBERSHIP BENEFITS

Various benefits are given to
Club Member Agents in LIC.
Let us see one-by-one in DETAIL.



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BASIC OFFICE ALLOWANCE

- CM Club Member - Rs.35,000 pa
- ZM Club Member - Rs.22,000 pa
- DM Club Member - Rs.12,000 pa



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GRADED OFFICE ALLOWANCE

Performance Slab in Qualifying Financial Year	Graded Allowance	Telephone	Sales Promotional Gifts
No. of Lives 750 & RC 5,00,000 or TC 7,50,000	40,000	7,000	4,000
No. of Lives 1000 & RC 6,00,000 or TC 10,00,000	45,000	8,000	5,000
No. of Lives 1250 & RC 7,50,000 or TC 12,50,000	50,000	9,000	6,250
No. of Lives 1500 & RC 9,00,000 or TC 15,00,000	60,000	10,000	7,500
No. of Lives 1750 & RC 10,50,000 or TC 17,50,000	70,000	11,000	8750
No. of Lives 2000 & RC 12,00,000 or TC 20,00,000	85,000	12,000	10,000

Policy Lapsation Ratio

Attract Incentives and Disincentives in Office Allowance

Lapse Ratio	Add Off All	Lapse Ratio	Add Off All	Lapse Ratio	Add Off All
10 or less	5%	9 or less	8%	8 or less	10%
7 or less	12%	6 or less	15%	5 or less	18%
4 or less	20%	3 or less	22%	2 or less	25%
1 or less	28%	ZERO	30%	-	-
Lapse Ratio over 15 for Existing	For 1 Years	No disincentive (Under Watch)			
	For 2 Years	No Benefit (Office Allowance & Convention)			
	For 3 Years	Club Membership Ceases			
New Aspirants will NOT be considered.					

OFFICE ALLOWANCE

The potential Chairman's Club qualifiers would be paid Office Allowance as follows:

1. For any such financial year in which he satisfies CM's Club entry conditions an office allowance of INR 12000 or Office Allowance otherwise payable to him whichever is higher.
 2. If an agent satisfies the conditions in the next financial year also, amount would be INR 20000.
- Office allowance, as above, should be claimed by the member during the Club Membership Year but not later than six months after the expiry of Club Membership year.



GIFT ITEMS



- CM Club Member - Rs.3,000 pa
- ZM Club Member - Rs.2,000 pa
- DM Club Member - Rs.1,000 pa
- BM Club Member - Rs. 500 pa

FESTIVAL ADVANCE*

- CM Club Member - Rs.20,000 pa
- ZM Club Member - Rs.20,000 pa
- DM Club Member - Rs.20,000 pa
- BM Club Member - Rs.15,000 pa

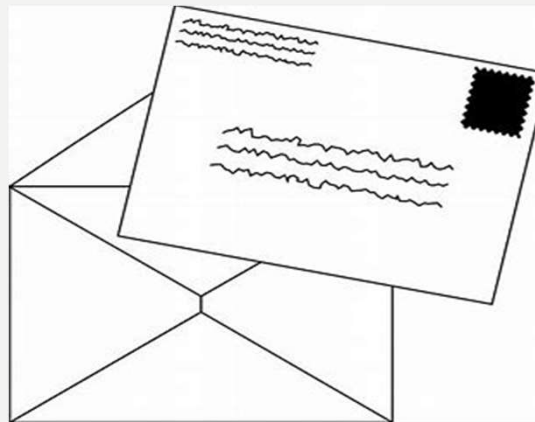
*interest-free recovery in 10 instalments



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LETTER HEADS WITH ENVELOPES

- CM Club Member - 1000 Nos.
- ZM Club Member - 750 Nos.
- DM Club Member - 500 Nos.
- BM Club Member - 300 Nos.



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VISITING CARDS

- CM Club Member - 250 Nos.
- ZM Club Member - 200 Nos.
- DM Club Member - 150 Nos.
- BM Club Member - 100 Nos.



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Attestation of Age Proof

- CM Club Member - Yes
- ZM Club Member - Yes
- DM Club Member - No
- BM Club Member - No



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MHR Limits

- CM Club Member - 1 Crore
- ZM Club Member - 60 Lakhs
- DM Club Member - 40 Lakhs
- BM/DA Club Member - 20 Lakhs

FIND YOUR POWER

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Receiving Cheques*

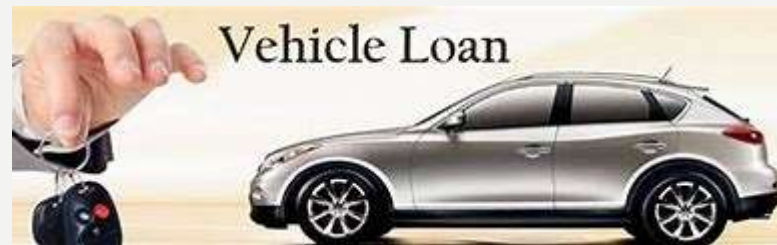


- CM Club Member - Yes
- ZM Club Member - Yes
- DM Club Member - Yes
- BM Club Member - No

*Authorisation letter from policyholder is required

Interest free Vehicle advance

- CM Club Member - Car/Scooter
- ZM Club Member - Car/Scooter
- DM Club Member - Scooter
- BM Club Member - Scooter



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CAR LOAN & QUANTUM*

- CM Club Max of 6 Lakhs (or) last 2 years Renewal commission
- ZM Club Max of 5 Lakhs (or) 75% of last 2 years Renewal commission
- DM/BM Club Only 2-Wheeler Advance

*Interest-free for CM/ZM & 9% for other Agents –
Repayment in 96 months

Additional office allowance

- CM Club Member - Rs.6000 pa
- ZM Club Member - Nil
- DM Club Member - Nil
- BM Club Member - Nil

(for maintaining Personal Computer)



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Telephone Facility



- CM Club Member - Rs.6000 pa
- ZM Club Member - Rs.4000 pa
- DM Club Member - Rs.2400 pa
- BM Club Member - Rs.1800 pa

GROUP MEDICLAIM

- CM Club Member : Rs.3,00,000
- ZM Club Member : Rs.2,00,000
- DM Club Member : Rs.1,50,000
- BM Club Member : Rs.1,00,000

(mandatory for all club members upto age 85.
Premium to be deducted in December commission)



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CLUB MEMBERS GROUP INSURANCE

- CM CLUB : Rs.4,00,000
- ZM CLUB : Rs.2,00,000
- DM CLUB : Rs.1,10,000
- BM CLUB : Rs. 55,000



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FUNCTIONAL PRIVILEGE

- **CM/ZM Club Members can have PREMIUM POINT Facility**
- No need to Stand in LIC Cash Counter and Waste Precious Time
- Scope for increasing CLIENT BASE
- **Great Recognition to Club Member Agents by LIC**



PREMIUM CLUB FOR HIGH PERFORMERS

- Corporate Club
- Club Galaxy



CORPORATE CLUB ELIGIBILITY



- **First Year Commission (excluding Bonus) earned in the recently concluded Two Financial years to be 18 Lacs each (Total should be minimum 36 Lacs in 2 Years)**
- First Year Lapsation NOT to exceed 10%
- Agents with minimum 5 years standing as on 1st Sept of Membership Year alone would be considered

**CORPORATE
MEMBERSHIP**

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CORPORATE CLUB BENEFITS



- **Interest-free 4 Wheeler advance upto 20 Lacs. For deserving cases, advance upto 30 Lacs sanctioned**
- Office Allowance based on number of years membership
 - More than 5 Yrs : 1.75 Lacs
 - 3 to 5 Yrs : 1.50 Lacs
 - 1 to 3 Yrs : 1.25 Lacs
- Telephone reimbursement Rs.15,000. Group Insurance Rs.8,00,000. Group Mediclaim Rs.5,00,000, Blazer etc

CLUB GALAXY ELIGIBILITY

- First Year Commission (excluding Bonus) earned in the Qualifying year should be *min 10 Lacs or FYP should be minimum 40 Lacs*
- First Year Commission (excluding Bonus) earned in the year preceding Qualifying year should be *min 8 Lacs or FYP should be minimum 33 Lacs*
- First Year Lapsation NOT to exceed 10%



CLUB GALAXY BENEFITS

- Interest-free 4 Wheeler advance upto 10 Lacs
- Office Allowance upto 1 Lac
- Telephone reimbursement Rs.12,000. Group Insurance Rs.5,00,000. Group Mediclaim Rs.4,00,000, Blazer etc



HOUSING LOAN FOR CLUB MEMBERS

Club	Basic Loan @ 5%	Ext. Loan @ 9.5%	Total Loan
Corporate	2800000	3200000	6000000
Club Galaxy	2125000	2875000	5000000
CM	1850000	2150000	4000000
ZM	1125000	1375000	2500000
DM	900000	1100000	2000000

INTERNATIONALLY RECOGNIZED CLUBS

- Million Dollar Round Table (MDRT)
- Court of the Table (COT)
- Top of the Table (TOT)



PERFORMANCE FROM 1-1-2018 TO 31-12-2018

GOAL	PREMIUM	COMMISSION
MDRT	37,37,600	9,34,400
COT	1,12,12,800	28,03,200
TOT	2,24,25,600	56,06,400

BENEFITS TO ALL AGENTS

We shall see in detail, what are all the benefits available to ALL AGENTS!



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2-WHEELER ADVANCE & QUANTUM

- ∞ Interest-free to Club Members
- ∞ 9% to other Agents
- ∞ 60 Months recovery from commission



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OFFICE EQUIPMENT

- ★ Anything related to Office comes under this category
- ★ Advance upto last year's Ren Commn
- ★ **Interest-free to Club Members**
- ★ 9% interest to other Agents
- ★ 36-months recovery
- ★ Once in 3 years but for different Furniture only
- ★ **Can be availed 5 times in LIFE.**



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MEDICAL TREATMENT OF SELF/FAMILY

- ♣ Available to Club Members/ERC only
- ♣ In case of SERIOUS illness, advance equal to last year's RENEWAL.
- ♣ Hospital Bills etc to be produced
- ♣ 9% interest & 36 months duration



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MARRIAGE OF SELF/FAMILY

- ❖ Available to Club Members/ERC only
- ❖ Family here means Children and dependant Sister only (no other relations allowed)
- ❖ Advance equal to last year's RENEWAL.
- ❖ Proof of marriage etc to be given
- ❖ 9% pa for 36 months (max 5 times)
- ❖ First 2 times, 9% interest. From 3rd occasion, rate of interest is 12%



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RELIGIOUS CEREMONIES (THREAD CEREMONY, SUNNAT ETC)

- ✿ Club Members/ERC Agents only
- ✿ Last year's RENEWAL or Rs.25,000 whichever is minimum
- ✿ 9% interest for 36 months (Only 3 times allowed in LIFE)
- ✿ First 2 Occasions, 9% interest
- ✿ Third Occasion, 12% interest



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REPAIRS TO CAR/BIKE

- Quotations from Garage
- Upto Rs.20,000 for Car
- Upto Rs.10,000 for 2-Wheeler
- 9% recoverable by 36 instalments



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FLOOD/DROUGHT ADVANCE

- ❧ Club Member Agents/ ERC Agents
- ❧ Interest-free
- ❧ Recoverable as per notification



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FESTIVAL ADVANCE

For Agents > 5 yrs : Rs.10,000/-

For Agents 2 to 5 yrs : Rs.7,000/-

(Recoverable in 10 instalments)

A graphic with a blue background featuring the text "Festival Loan" in a dark blue serif font. Below the text are three white circles of varying sizes, some partially cut off by the edges of the frame.

Festival Loan

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CONDITIONS FOR FESTIVAL ADVANCE

- ❖ **Should have given 12 LIVES and 6 Lacs SA in the previous Ag Year**
- ❖ Exempted Agents need to have given atleast 2 Lacs SA in previous Ag Yr
- ❖ If service less than 5 Yrs, Surety from a confirmed employee needed



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TRAINING ADVANCE

- Maximum amount of Rs.7,500/-
- Interest-free repayment in 10 months
- Any Agent who has completed 5 years of Service is eligible



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GRATUITY TO AGENTS

- ✓ Every Agent is eligible for Gratuity
- ✓ Completed 15 years service
- ✓ Should have attained 60 years
- ✓ Gratuity is eligible for any Agent who has left the service of LIC provided 15 years service has been completed
- ✓ **Maximum eligible – Rs.3,00,000**



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GROUP INSURANCE

- ♪ For all Agents with min ONE year Service
- ♪ With effect from 1.9.07
- ♪ Agents up to Age: 69 covered
- ♪ A very nominal premium is recovered from Commission between July–Sept
- ♪ **A Boon to all AGENTS of LIC**



GROUP INSURANCE

Service	Risk Cover	Annual Premium
1 to 3 years	1,00,000	Rs.300
3 to 5 years	3,00,000	Rs.900
5 to 10 years	5,00,000	Rs.1500
Above 10 yrs	10,00,000	Rs.3000



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HEREDITARY COMMISSION

- ♪ *Continuation of Commission to Nominee*
- ♪ Minimum Service for Hereditary Commission is just 2 years.
- ♪ A Sum Assured of just 1 Lac needs to be in force from Policies introduced by Agent
- ♪ An Agent's Hard Work goes to FAMILY!
- ♪ **Real Boon to Agents' Fraternity**



HOW AN AGENT CAN BECOME A CLUB MEMBER?

The Agent to follow a simple formula for 3 years only .

To Qualify for the Membership of:

BM Club - Just 4/5 Lives every month (1 Life/Week)

DM Club - Just 7/8 Lives every month (2 Lives/Week)

ZM Club - Just 8/9 Lives every month (1 Life/3 Days)

CM Club - Just 11/12 Lives every month (1 Life/2 Days)

MDRT - Rs.200000 FPI Every Month

CORPORATE CLUB – DOUBLE MDRT

Planning & Execution Bring Success

Plan Your Goal Yourself.

FOLLOW YOUR DREAMS

Thank You



You Made My Day