

# National Federation of Insurance Field Workers of India

## South Zone

# “Agency Rules, Benefits & Privileges”



भारतीय जीवन बीमा निगम  
LIFE INSURANCE CORPORATION OF INDIA

# LIC AGENCY

for Life Long Income to YOU & Your  
Family

NFIFWI, South Zone.



# New MBG Norms...

*The minimum Business Guarantee norms to be achieved by Agents during the agency year.  
An Agent has to procure.*

*Either – 12 Different Lives*

*Or – Rs. 1 Lakh FYPI*

*Or – 6 Lives & Rs. 50000 FYPI.*

**in Every Agency Year**

**NFIFWI, South Zone.**





# LIC AGENCY -OVER VIEW

- ❖ *High Paying & Rewarding Career*      ❖ *Hereditary Commission*
- ❖ *Prestigious Profession*                      ❖ *Gratuity*
- ❖ *Own Business –An Entrepreneur*      ❖ *Medi-claim*
- ❖ *No Investment*                                  ❖ *Group Insurance*
- ❖ *No Time Restriction –Utilize Free Hours*      ❖ *Club Membership*
- ❖ *No Income Limit*                              ❖ *Advances –2/4 Wheelers*
- ❖ *Easy to fulfill Dreams*                      ❖ *Home Loan*
- ❖ *Regular Flow Income*                      ❖ *Festival Advance*
- ❖ *Professional Training towards Excellence*      ❖ *Advance for Functions*

## BIG BRAND & BEST BRAND



# Commission.

On any standard policy, Under standard tables and terms you shall be paid commission as per the following rates of the premium paid by the policy holders .

- Up to 25% of 1<sup>st</sup> year premium\*.
- 40% Bonus Commission on the 1<sup>st</sup> year commission
- Up to 7.5% of 2<sup>nd</sup> & 3<sup>rd</sup> year premium.
- Up to 5% thereafter till the policy continues.

“Every time a Policy Holder pays his installment premium , the Agent receives his commission”

(\* Maximum...)



# Renewal Commission.

*The agent is paid 7.5 per cent of the amount paid by the policy holders (under standard tables and terms) as the second as well as the third year's premiums and continues to be paid renewal commission of 5% on every year's premium paid from the fourth year onwards.*

*Renewal commission is payable on renewal premium. Hence, you should ensure that your client keeps the policy in force. If you remind him to pay premiums, you will be rendering a good service to him.*



# Bonus Commission.

*You are entitled to bonus commission at the rate of 40% of the eligible first year commission provided you fulfill certain requirements as to total first year's premium secured and number of lives you have insured in your agency-year.*

*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 6<sup>th</sup> year by default** even if norms are not fulfilled*

***For an Agent who had completed 15 years of service, Bonus Commission goes automatically***



# Hereditary Commission.

*In case of agent's death while his agency subsists, after agency was in force for two years or over, renewal commission will continue to be payable to his heirs or nominee provided there was a business of not less than Rs. 1 lakh in force at the time of death.*

An Agent's Hard Work goes to FAMILY!  
Real Boon to Agents' Fraternity





# Requirement for H R C

Request letter from claimant.

Office note recommending the payment to nominee.

Original Death Certificate.

Where valid nomination is present.

Annexure H with details of all legal heirs and all class I legal heirs should sign Annex H

Where no valid nomination is present

Annexure H, Annexure I

(Declaration in indemnity and agreement )

Cont...



Annexure required for dispensing with legal evidence of title

If amount is less than 15000 J - I

15000 to 110000 J - I (A)

Exceeds 110000 - Succession certificate from competent court.

( upto 110000 waiver of legal evidence of title is allowed )



# ERC Condition

***Agent eligible for Renewal commission after termination if.***

***He has fulfilled MBG for at least 5 years since appointment and 25 lives in force as on date one year before termination (at the end of previous agency year)***

***(or)***

***Has fulfilled MBG for at least 10 years since his appointment.***

***(or)***

***Who has been terminated under clause (m) of sub regulation (1) of regulation 16. (Physically or mentally incapacitive for carrying function of agent) has fulfilled MBG for at least 2 years since appointment and 12***



# Create Your Own Pension by Doing Fixed Business Every Month...



DO CONTINUOUS BUSINESS EVERY MONTH		Premium Collection Per Month `10,000					Commission : 1st Yr 25% + 10% Bonus, 2 & 3 Yr 7.5% & subsequent Yrs 5%						
Years	Apr	Ma	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
1	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
2	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	51,000
3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
4	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
5	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
6	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000
7	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000
8	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
9	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
10	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	102,000
11	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	108,000
12	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	114,000
13	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
14	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
15	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	132,000
<b>Gross Total</b>												<b>13,41,000</b>	

**25%+10%**

**35+7.5%**

**35+7.5%+7.5%**

**35+7.5%+7.5%+5%**

**35+7.5%+7.5%+5%  
(for 12 Years) =  
110%**



**LIC**

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## Commission Earnings – LIVE EXAMPLE

### Leading Agent Commission - 1

Commission Earned as on 2014					Commission Earned To Be Earned						
Year	FY	2 & 3 year	Renewal	Total		Year	FY	2 & 3 year	Renewal	Total	Pension
1987	5048	0	0	5048	1	2015	0	158494	2206914	2365408	197,117
1988	7158	1765	0	8923	2	2016	0	0	2182396	2182396	181,866
1989	15299	4290	0	19589	3	2017	0	0	2066320	2066320	172,193
1990	12248	8196	1149	21593	4	2018	0	0	1916433	1916433	159,703
1991	17528	9864	2790	30182	5	2019	0	0	1773709	1773709	147,809
1992	20759	12102	6456	39317	6	2020	0	0	1623875	1623875	135,323
1993	34667	19506	9198	63371	7	2021	0	0	1462247	1462247	121,854
1994	41497	27792	14288	83577	8	2022	0	0	1303169	1303169	108,597
1995	57288	39150	21473	117911	9	2023	0	0	1198892	1198892	99,908
1996	85801	53533	31594	170928	10	2024	0	0	1065762	1065762	88,814
1997	67144	73321	45734	186199	11	2025	0	0	900534	900534	75,045
1998	160142	74331	64736	299209	12	2026	0	0	729138	729138	60,762
1999	149211	106769	91462	347442	13	2027	0	0	555659	555659	46,305
2000	234388	144136	111607	490131	14	2028	0	0	461251	461251	38,438
2001	328985	170342	158728	658055	15	2029	0	0	381145	381145	31,762
2002	489458	249999	202228	941685							
2003	589242	332349	266481	1188072		<b>Total</b>	<b>0</b>	<b>158494</b>	<b>21153864</b>	<b>21312358</b>	
2004	437906	394398	360588	1192892							
2005	749498	376897	479497	1605892							
2006	566849	454630	614941	1636420							
2007	623358	529970	722069	1875397							
2008	568006	506930	908345	1983281							
2009	1334559	475895	1062577	2873031							
2010	1164167	679221	1236286	3079674							
2011	1489759	851283	1358206	3699248							
2012	1140938	888394	1631859	3661191							
2013	425821	895818	1799989	3121628							
2014	0	548519	2039538	2588057							
<b>Earned</b>	<b>10816724</b>	<b>7929401</b>	<b>13241819</b>	<b>31987944</b>							

**Total Commission  
Received Rs.2.2 Crores**

**Total Commission Received  
Rs.3.2 Crores  
As on 2014.  
Still climbing year after year**

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LIC (INSURANCE CORPORATION OF INDIA)

## Commission Earnings – LIVE EXAMPLE

### Leading Agent Commission - 2

Commission Earned as on 2014					Commission Earned To Be Earned						
Year	FY	2 & 3 year	Renewal	Total		Year	FY	2 & 3 year	Renewal	Total	Pension
1991	216	102	0	318	1	2015	0	46425	1609423	1655848	137,987
1992	1143	246	0	1,389	2	2016	0	0	1557841	1557841	129,820
1993	3742	556	61	4,359	3	2017	0	0	1475629	1475629	122,969
1994	16610	1847	147	18,604	4	2018	0	0	1357023	1357023	113,085
1995	18233	8849	413	27,495	5	2019	0	0	1293482	1293482	107,790
1996	24411	16490	1350	42,251	6	2020	0	0	1228326	1228326	102,361
1997	64556	19687	5996	90,239	7	2021	0	0	1143376	1143376	95,281
1998	101292	35659	11635	148586	8	2022	0	0	1088467	1088467	90,706
1999	181251	65254	18468	264973	9	2023	0	0	1015534	1015534	84,628
2000	363825	115739	34909	514473	10	2024	0	0	940266	940266	78,356
2001	496196	206018	61321	763535	11	2025	0	0	822326	822326	68,527
2002	524630	305290	109859	939779	12	2026	0	0	733587	733587	61,132
2003	608917	359724	196093	1164734	13	2027	0	0	627648	627648	52,304
2004	323579	411145	311689	1046413	14	2028	0	0	580928	580928	48,411
2005	456038	346233	436002	1238273	15	2029	0	0	526681	526681	43,890
2006	591220	279260	584457	1454937							
2007	415158	371248	661614	1448020							
2008	712816	351895	761899	1826610							
2009	874782	365067	902997	2142846							
2010	1323448	462368	975840	2761656							
2011	577505	615217	1099953	2292675							
2012	869707	542284	1229923	2641914							
2013	148321	421831	1412349	1982501							
2014	0	303987	1478399	1782386							
<b>Earned</b>	<b>8697596</b>	<b>5605996</b>	<b>10295374</b>	<b>24598966</b>							
						<b>Total</b>	<b>0</b>	<b>46425</b>	<b>20188445</b>	<b>20234870</b>	

**Total Commission Received  
Rs.2.02 Crore**

**Total Commission Received  
Rs.2.45 Crore As on 2014.  
Still climbing year after year**



# Gratuity

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**

Cont...





*Agent may opt to take Gratuity at age 60 or 65*

*He has to give notice in writing to SDM before attaining age 59 ( Before completing 59)*

*Option letter to be forwarded to DO for approval with SBM's recommendation.*

*Option once exercised cannot be changed.*

*If payment is delayed for more than 1 month penal interest as paid for settlement for policy claims is to be paid.*

*The date of eligibility will be the date when he complies with both the conditions 15 or more qualifying years & 60 Yrs of age.*



# Gratuity Eligibility

*Gratuity is payable to an Agent if he satisfies any of the following conditions:*

*He has continuously worked as an Agent for 15 or more Qualifying Years and is not below 60 years of age.*

*(or)*

*He has worked for 15 or more Qualifying years and his agency is terminated for any reasons other than the reason under Rule 15 [b] or [c] or 16(1)[a], [b] or [C]*

*(or)*

**Cont...**



*Dies while his agency is subsisting.*

*(or)*

*He has been confirmed in his appointment but his agency is terminated on account of mental (or) physical incapacitation [Rules 16(m).*

*Note: An agent terminated under Rule 13 for non-fulfilment of business Quota and who has 15 or more Qualifying years under his credit shall also be eligible for gratuity.*



# Gratuity Calculation

*The Relevant date is to be determined.*

*15 Agency years preceding immediately is to be determined.*

*Renewal commission earned in Qualifying yrs in the 15 preceding agency year is to be added.*

*The total should be divided by 180. (Eligible rate of gratuity)*

*Total no of Qualifying Yrs is to be determined.*

*Formula:*

*Eligible rate x 15 + 1/2(Eligible rate x no of qualifying years in excess of 15 yrs up to 25yrs)*

*Maximum Gratuity payable is 300000 w.e.f. 02.02.2017*



For example:

The Highest commission registered Rs 2,000,00 X  
15 years = 30, 00,000.

Divided by 180 =16,666.666, is called **eligible rate**.

Then the gratuity will be calculated with the  
following formula.

Eligible rate X 15 +1/2 X No of qualifying years.

Total gratuity amount is Rs. 2,58,333.323.



# In case of Death

*If the service is less than 15 year then Qualifying yrs to be taken out of actual no of years.*

*To find eligibility rate, instead of dividing by 180 divide by  $12 \times$  actual no of years of service.*



## Festival Advance

**INTEREST FREE**

<b>Corporate Club</b>	<b>30,000</b>
<b>Galaxy Club</b>	<b>22,000</b>
<b>Chairman's Club</b>	<b>20,000</b>
<b>Zonal Manager's Club</b>	<b>20,000</b>
<b>Divisional Manager's Club</b>	<b>20,000</b>
<b>Branch Manager's Club</b>	<b>15,000</b>
<b>With 5 Years of Service</b>	<b>10,000</b>
<b>Between 2 to 5 Years Service</b>	<b>7,000</b>

**10 INSTALLMENTS**



## ❖ CONDITIONS FOR FESTIVAL ADVANCE

Agent should have completed 2 full agency years.

One festival advance in a Calendar year.

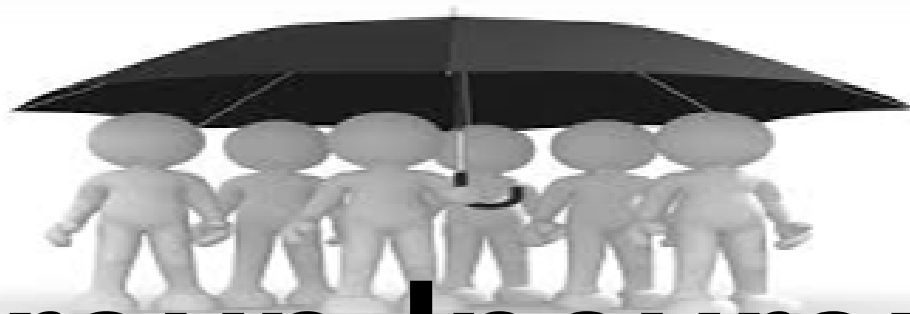
Should have given 12 LIVES and 6 Lakh SA in the previous Agency Year.

Exempted Agents need to have given at least 2 Lakh SA in previous Agency Year.

If service less than 5 Yrs, Surety from a confirmed employee of corporation with 5yrs of service needed.

(Recoverable in 10 installments)





# Group Insurance to All Agents

Age 18 to 69 Years (nbd)



Service in Agency Years	Life Cover	Premium
Upto 3 Agency Years	1 Lac	300 + GST
Above 3 Agency Year to 5 Agency Years	3 Lac	900 + GST
Above 5 Agency Year to 10 Agency Years	5 Lac	1500 + GST
Above 10 Agency Years	10 Lac	3000 + GST



Cont...



## ❖ CONDITIONS FOR 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

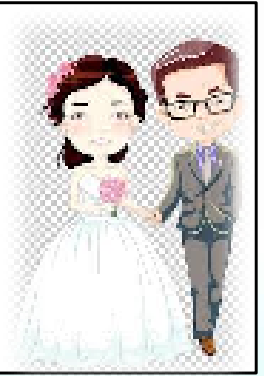
A Boon to all AGENTS of LIC



# Marriage Advance.



For  
Self,  
Son/Daughter



Enjoy...  
The Trust...  
No Security...  
No Surety...

9% for 2 Times  
12% for 3 Times  
Repayable  
in 36 Instalments



## ❖ CONDITIONS FOR MARRIAGE OF SELF/FAMILY

Available to Club Members/ERC only

Family here means Children and dependant Sister only (no other relations allowed)

For children not more than 2 times

Advance equal to Actual expense or last year's RENEWAL whichever is less.

Proof is necessary ( Invitation card ) to be given.

9% pa for 36 months (max 5 times)

First 2 times, 9% interest. From 3<sup>rd</sup> occasion, rate of interest is 12%



# Furniture Advance.

*Anything related to Office comes under this category, Advance upto Last Year's Renewal Commission,*



*Repayable in 36 installments,*

*Interest free for Club-members & others 9% pa,*

*Maximum 5 times one can avail in Life,*

*Once in 3 years but for different Furniture only,*

*Same furniture after 5 years only.*

**Cont...**



*Should have completed 5 Yrs.*

*Actual market price or previous Yrs Renewal Commission whichever is less.*

*Inspection report from BM I/C in writing.*

*Advance for purchase of Office equipment only and not for incidentals or Stationery, Service and Maintenance etc.*



**Computer / Lap-top Advance for C.M. only;  
Maximum Rs 1,00,000; Repayable 60 months;  
Interest 9% pa; Maintenance Expense = Rs 6000**



# Term Assurance

*Shall be based on the average annual renewal commission earned by an agent in the three agency years immediately preceding his death.*

***Avg. Commission***

***Less than 1001***

***1001 to 14999***

***15000 & above***

***Amount of Term Assurance***

***3000.00***

***3000.00 + Half of the excess of average commission over 1000***

***10000.00***



# PENSION...

## SWAVALAMBAN / SAMVARDHAN PENSION SCHEME

*Exclusive contributory Pension Fund  
Maintained by LIC of India for our Agents...*





# Swavalamban Scheme

Swavalamban Scheme, a co-contributory Pension Scheme, launched in September, 2010 to encourage people from the unorganized sector to voluntarily save for their retirement. The Central Government would contribute a sum of Rs. 1,000 in each National Pension System (NPS) account opened under the Scheme where the subscriber is able to save Rs.1,000 to Rs.12,000 during a financial year. The Government's contribution is available upto Financial Year 2016-17. The scheme is for those citizens of India who are not part of any statutory pension/provident scheme. The target beneficiaries of Swavalamban Scheme are co-contributory scheme beneficiaries of State Governments, Aanganwaadi workers, Construction workers, Occupational classes like weavers, fishermen, farmers, dairy workers etc. The Scheme is managed by Pension Fund Regulatory & Development Authority (PFRDA) and financed through budgetary support by way of Grants-in- Aid to PFRDA. The Scheme operates through 62 Aggregators and 71 PoPs.



# Atal Pension Yojana

## Announcement of Atal Pension Yojana

The coverage under Swavalamban Scheme was inadequate due to non-clarity of pension benefits at the age of 60 years. To address this concern, the Government announced a new initiative called Atal Pension Yojana (APY) in the Budget for 2015-16 and was formally launched by the Prime Minister on 9th May 2015.

With the introduction of the APY, **the enrolment under Swavalamban has been closed** and the eligible subscribers under Swavalamban Scheme are being automatically migrated to the Atal Pension Yojana unless they opt out.



# Samvardhan Scheme

‘Samvardhan’- Pension Scheme ( Defined Contribution) for the agents of the Life Insurance Corporation of India.

This scheme is only available to LIC of India’s agent and not for general public.

It has been decided by the Competent Authority to start a Group Superannuation Cash Accumulation Scheme- ‘Samvardhan’, for the Agents of the Corporation. This scheme is being started with a view to assist the agents in creating a sizeable corpus during their productive year which can be used to provide the pension in a structured way, after the accumulation period.

The scheme is an unapproved scheme hence no tax benefits will be available under the scheme.

**With the introduction of the APY, the enrolment under Samvardhan also closed along with Swavalamban**



# General Conditions for Advance

Advances based on Previous Financial Year's Renewal Commission.

Fast Conveyance no restrictions on number of times 6 times without Interest, 7th time 9% pa Hly.

Advance paid to Club members will carry interest @ 9% during non club membership period.

4 Wheeler, Office equipment, Computer, Training advance  
Competent Authority SDM.

Cont...



Payment only in the name of Dealer (Cheque may be sent through agent on receipt of authorization letter from Dealer).

If advance not utilized for that purpose Recovery in 12Mths int @ 18% Hly.

Minimum Advance payable Other than Festival, Flood/ Drought, Training will be Rs.7500/-.

The monthly installment of recoveries of all advances should not exceed 60% of Average monthly preceding Financial Year Renewal Commission.



# Other Benefits

Hospital Medical for Self / Family Members	Last year Renl. Comm. (OR) actual	Repay in 36 installments	Rate of interest 9% p. a.
Domiciliary Medical Expense	10% of last year Renl. Comm. (OR) Rs. 25,000	Repay in 36 installments	Rate of interest 9% p. a.
Family Functions	Last year Renl. Comm. (OR) Rs.25,000	Repay in 36 installments	Rate of interest 9% p. a.
Marriage Expenses for Self	Last year Renl. Comm. (OR) actual	Repay in 36 installments	Rate of interest 9% p. a.



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**Other**

# ADVANCES

Two-wheeler Repairs	Rs.15600 or last year Renl. Commn.	Repay in 36 installment s	Rate of interest 9% p. a.
Housing Repair	Last year Renl. Commn.	Repay in 60 installment s	Rate of interest 9% p. a.
Flood (OR) Drought Advance	Amount Fixed by LIC	Repay in 36 installment s	
Business Development Training	Rs.7,500	Repay in 12 installment s	

**NFIFWI, South Zone.**



# Benefits in Details

## ❖ 2-WHEELER ADVANCE & QUANTUM

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

## ❖ 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.





# Benefits in Details

## ❖ RELIGIOUS CEREMONIES

(Thread ceremony, Turban mundane, Nayjote 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 payable Hly, Third Occasion, 12% interest.

Proof of expense not necessary but proof of performance of ceremony to satisfaction of BM is required.

Advance to be paid not earlier than 1 month from function.



# Benefits in Details

## ❖ FLOOD/DROUGHT ADVANCE

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

As applicable to Permanent Employees.

Flood / Drought advance with other advance  
excluding fast conveyance should not exceed LYRC.  
Only agents with more than 5Yrs service are eligible.  
Maximum loss or LYRC or maximum allowed to  
employees whichever is less.



# Benefits in Details

## ❖ TRAINING ADVANCE

Maximum amount of Rs.7,500/- or LYRC whichever is less.

Interest-free repayment in 12 months.

Any Agent who has completed 5 years of Service is eligible.

Attendance Certificate is must

## ❖ REPAIRS TO CAR/BIKE

Quotations from Garage

Upto Rs.20,000 for Car

Upto Rs.10,000 for 2-Wheeler

9% recoverable by 36 installments.



# CLUB MEMBERSHIP?

*Recognition for meritorious agents*

*Performance reward*

*Financial & Non-Financial motivator*

*Inducement for higher performance*

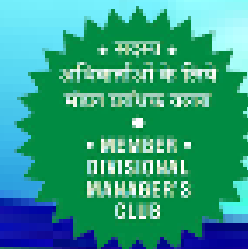


# WHAT ARE THE CLUBS?

- *Chairman's Club*
- *Zonal Manager's Club*
- *Divisional Manager's Club*
- *Branch Manager's Club*
- *Distinguished Agents Club*
- *Corporate Club*
- *Galaxy Club*



**JOIN  
THE CLUB**





# 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 in force policies.*
- ✓ Renewal Commission.*
- ✓ First Year Commission.*

*KNOW THE  
RULES!*





## CLUB MEMBERSHIP ELIGIBILITY CRITERIA

Sr. No.	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



# 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*

**1**



# CONDITION NO.2

Net Number of Lives/ Number of Lives in force

- An agent can bring in either
- Net number of LIVES

*Or*

- 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 per*





# 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**



# 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 Commission: Rs.50,000/-*





# CLUB MEMBERSHIP BENEFITS



Various benefits are given to Club  
Member Agents in LIC.

Let us see one-by-one in **DETAIL**.





# BASIC OFFICE ALLOWANCE



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



# 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



# 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 Rs 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 Rs 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 installments**



# LETTER HEADS WITH ENVELOPES



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



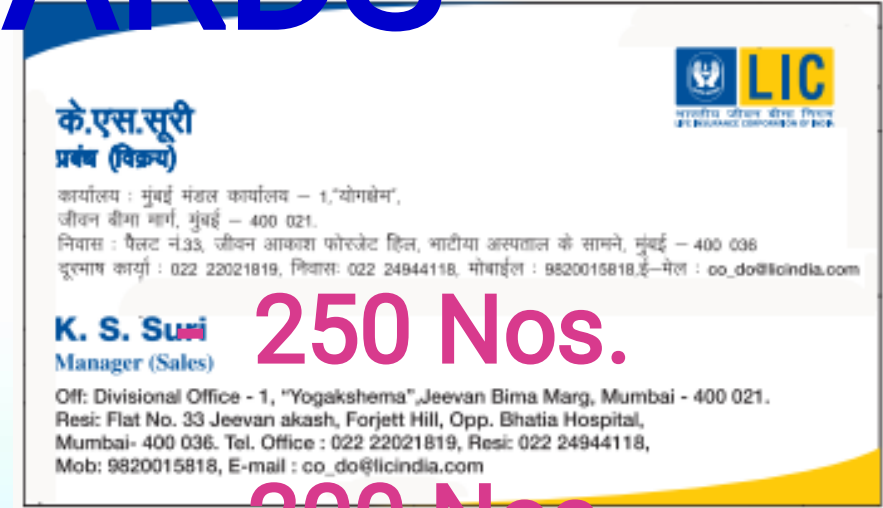
# VISITING CARDS

➤ • CM Club Member

➤ • ZM Club Member

➤ • DM Club Member

➤ • BM Club Member



- 200 Nos.

- 150 Nos.

- 100 Nos.



# Attestation of Age Proof



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





# MHR Limits

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



# Receiving Cheques\*

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

*\*Authorization letter from policyholder is required*





# CAR LOAN & QUANTUM\*

## ➤ • CM Club

Max of 6 Lakh (or) last  
2 years Renewal  
- commission  
whichever is Less

## ➤ • ZM Club

Max of 5 Lakh (or) 75%  
of last 2 years Renewal  
- Commission whichever is  
Less

## ➤ • 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)**



# 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)



# CLUB MEMBERS GROUP INSURANCE

- • CM Club Member - Rs 4,00,000
- • ZM Club Member - Rs 2,00,000
- • DM Club Member - Rs 1,10,000
- • BM Club Member - Rs 55,000





# HOUSING LOAN

➤ • CM Club Member

- BASIC : 18.50 Lakh  
- Extended : 21.50 Lakh  
Total : 40 Lakh

➤ • ZM Club Member

- BASIC : 11.25 Lakh  
- Extended : 13.75 Lakh  
Total : 25 Lakh

➤ • DM Club Member

- BASIC : 9.00 Lakh  
- Extended : 11.00 Lakh  
Total : 20 Lakh

**INTEREST : 5% for Basic & 9.5% for Extended Loan**



# 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**

❖ **Galaxy Club**



# CORPORATE CLUB

## ELIGIBILITY

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



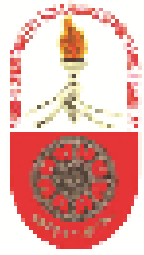
# BENEFITS

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

Cont...



- ❖ **Group Insurance** **Rs.8,00,000. Premium**  
**Rs. 2,100**  
(Age 18 to 69 nbd; w.e.f. 03.09.2016)
- ❖ **Housing Loan** **Basic : 28 Lakh, Extended**  
**: 32 Lakh, Total :60 Lakh.**  
(INTEREST : 5% for Basic & 9.5% for Extended Loan)
- ❖ **Out of Pocket Expense** **Out Station Rs. 10,000.**  
**Local Rs. 1,500.**
- ❖ **One Time Incentive** **Rs. 40,000.**
- ❖ **Letter Head & Envelope** **1500**
- ❖ **Visiting Card** **1000**
- ❖ **Travel Mode** **Economy Class AIR**
- ❖ **LIC Guest House, Attestation Power, Blazer** **Yes**



# GALAXY CLUB

## ELIGIBILITY



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



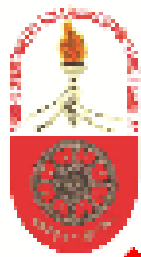
# BENEFITS

- ❖ Festival Advance **Rs. 22,000**
- ❖ Interest-free 4 Wheeler advance **upto 10 Lakh.**
- ❖ Office Allowance **Rs. 1,00,000.**
- ❖ Telephone reimbursement **Rs.12,000.**
- ❖ Group Insurance **Rs.6,00,000. Premium Rs. 1,600.**

(Age 18 to 69 nbd; w.e.f. 03.09.2016)

Cont...





❖ **Housing Loan**

**Basic : 21.25 Lakh,  
Extended : 28.75 Lakh,  
Total :50 Lakh.**

**(INTEREST : 5% for Basic & 9.5% for Extended Loan)**

❖ **Group Mediclaim**

**Rs.4,00,000.**

❖ **Out of Pocket Expense**

**Out Station Rs. 10,000.**

**Local Rs. 1,500.**

❖ **One Time Incentive**

**Rs. 25,000.**

❖ **Letter Head & Envelope**

**1000**

❖ **Visiting Card**

**500**

❖ **Travel Mode**

**Economy Class AIR**

❖ **LIC Guest House, Attestation Power, Blazer**

**Yes**




# INTERNATIONALLY RECOGNIZED CLUBS

❖ Million Dollar Round Table (MDRT)

❖ Court of the Table (COT)

❖ Top of the Table (TOT)

MDRT	COT	TOT
Member	Court of the Table Member	Top of the Table Member
		
MDRT®	MDRT®	MDRT®



MDRT	COT	TOT
Member  MDRT®	Court of the Table Member  MDRT®	Top of the Table Member  MDRT®

## MDRT/COT/TOT

- The Premier Association of Financial Professionals.
- An exclusive honor achieved only by a small percentage of all life .
- Insurance and financial services advisors worldwide.
- the highest recognition in insurance internationally.



**MDRT**  
Million Dollar Round Table

how to get there..?

**MDRT**

“  
Service to humanity  
is the best work of all.  
”





# ANNUAL REQUIREMENTS FOR YEAR 2020

<b>Qualifier In Rs.</b>	<b>MDRT</b>	<b>Court of the Table</b>	<b>Top of the Table</b>
<b>Commission</b>	<b>9,98,900</b>	<b>29,96,700</b>	<b>59,93,400</b>
<b>Income</b>	<b>17,30,000</b>	<b>51,90,000</b>	<b>1,03,80,000</b>
<b>Premium</b>	<b>39,95,600</b>	<b>1,19,86,800</b>	<b>2,39,73,600</b>



**Joining as Ordinary L.I.C Agent is Not  
Your Mistake...**

**Continuing as Ordinary  
L.I.C Agent is a Big Mistake...**

**Aim for MDRT...**

**Achieve TOT!!!**



**LIC**

भारतीय जीवन बीमा निगम  
LIFE INSURANCE CORPORATION OF INDIA



**LIC**

भारतीय जीवन बीमा निगम  
LIFE INSURANCE CORPORATION OF INDIA

**LIC**



**LIC**

भारतीय जीवन बीमा निगम  
LIFE INSURANCE CORPORATION OF INDIA



**LIC**

भारतीय जीवन बीमा निगम  
LIFE INSURANCE CORPORATION OF INDIA

**Yes, we are the No. 1**

NFIFWI, South Zone.



Thank You