



भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

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Ref: Mktg./ZD/16/2010

Dated: 27th April, 2010

**All Zonal Managers and
Sr. / Divisional Managers (In-charge) of Divisions.**

Re: Revision of Club Rules w.e.f. Qualifying F.Y. 2010-11 – Certain Modifications.

The Club rules in respect of Chairman's, Zonal Manager's, Divisional Manager's, Branch Manager's and Distinguished Clubs have been revised vide the CO Marketing dept. Circular Ref.: Mktg./A/ZD/29/2009 dated 22nd October, 2009.

The Competent Authority has approved certain modifications in the provisions of the abovementioned Circular dated 22nd October, 2009. The modifications with reference to relevant clause of the abovementioned Circular are as below:

(i) 'Minimum Net No. of Lives':

The 'Minimum Net No. of Lives', mentioned in the Table 1 of the Clause 1, has been modified as following:

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

The other conditions mentioned in the Table 1 will remain unchanged.

(ii) Impact of Lapsation higher than 15% on Existing Club Members:

The impact of lapsation higher than 15% on existing Club Members (mentioned on page no. 9 of the Circular) has been modified as following:

"Cases where lapsation of policies secured by an agent is more than 15% are to be dealt with as follows:

a. For existing Club Member Agents:

- I. Where lapsation is > 15% (no rounding off) for one year, there will not be any disincentive for the agent.
- II. If the lapsation continues to be more than 15% for two consecutive years, the agent will neither be eligible for attending the convention nor the office allowance (Stationery Allowance in case of BM's Club Member Agent) for that particular Membership year.

- III. If the lapsation is over 15% for three consecutive years, the agent will lose his Membership of the club.
- IV. If the lapsation of policies is greater than 15% even for one year then the agent will be kept under watch and no fresh advance for fast conveyance or housing loan will be given till such time the lapse ratio remains greater than 15%.

There will be no change in respect of the agents aspiring to become club members.

(iii) Max. Ceilings for Graded Office Allowance payable to Chairman's Club Members:

The Maximum ceilings for Graded Office Allowance payable to Chairman's Club members for higher performance (mentioned in Clause 18 on page 12) have been modified as below:

Sr. No.	Performance Slab	Increased Maximum Limit for Office Allowance Reimbursement (Inclusive of Basic office allowance and additional office allowance as detailed in Clause 17 A (i) and 17 B)
1.	No. of Lives In-force – 750 and RC Paid – Rs.5,00,000 Or TC (RC+FYC) paid– Rs.7,50,000 in the Qualifying Financial Year	Rs.40,000/-
2.	No. of Lives In-force – 1,000 and RC Paid – Rs.6,00,000 Or TC (RC+FYC) paid– Rs.10,00,000 in the Qualifying Financial Year	Rs.50,000/-
3.	No. of Lives In-force – 1,250 and RC Paid – Rs.7,50,000 Or TC (RC+FYC) paid– Rs.12,50,000 in the Qualifying Financial Year	Rs.60,000/-
4.	No. of Lives In-force – 1,500 and RC Paid – Rs.9,00,000 Or TC (RC+FYC) paid– Rs.15,00,000 in the Qualifying Financial Year	Rs.70,000/-
5.	No. of Lives In-force – 1,750 and RC Paid – Rs.10,50,000 Or TC (RC+FYC) paid– Rs.17,50,000 in the Qualifying Financial Year	Rs.80,000/-
6.	No. of Lives In-force – 2,000 and RC Paid – Rs.12,00,000 Or TC (RC+FYC) paid– Rs.20,00,000 in the Qualifying Financial Year	Rs.1,00,000/-

There will be no change in respect of Maximum ceilings for Telephone Reimbursement and Sales Promotion Gift items.

(iv) Continuation of Club Membership in the year/s of failure:

The rule for continuation of club membership in the year of failure will be as following:

If an agent does not fulfill the condition of 'minimum net no. of lives' prescribed in the financial year reckoned to allow the agent to continue in any of the clubs, the club membership will be treated as continued for the number of years for which he/she has not fulfilled the condition of 'Minimum Net No. of Lives' as per the table given below:

No. of years of continuous membership in the same club	Relaxation allowed
05	One occasion
10	Two occasions.

Further, he will continue to get the monetary benefits in such a year of failure.

However, if an existing club member agent fails to fulfill other conditions apart from the 'minimum net no. of lives', he will be treated as non-regular club member and will not be eligible for any monetary benefits including attendance at the Convention.

No concession would be available to the club member agents unless they complete continuous membership for five years in the same club.

No concession would be available to the agents aspiring to become club member.

(v) Maximum ceiling on the Office Allowance payable to ZM's Club Members:

The Maximum ceiling on the Office Allowance payable to ZM's club members has been increased from Rs.20,000/- to Rs.22,000/-. The other conditions remain unchanged.

(vi) Relaxation in fulfillment of qualifying criteria:

The relaxation in fulfillment of qualifying criteria, mentioned in Clause 8 of the Circular, has been modified as following:

An agent who has completed the age of 60 years as on the date of commencement of club membership year and had been a continuous member of the same club for not less than 15 membership years or life members of CM's and ZM's Club can continue the membership of the same club by fulfilling at least 75% of the criteria applicable for that club.

(vii) FYC and RC requirements for DM's and BM's Club Members:

In the Annexure-II of the Circular dated 22.10.2009, the Renewal Commission and First Year Commission requirements for Divisional Manager's Club were interchanged inadvertently. Similarly, the Renewal Commission and First Year Commission requirements for Branch Manager's Club were also interchanged inadvertently in Annexure-II of the Circular dated 22.10.2009.

Since the escalation Clause is applicable only to FYC and RC, the Charts show only FYC and RC requirements in the financial years mentioned against them. In addition to this, the condition1 and 2a or 2b will also be required to be fulfilled.

The correct Tables for First Year Commission and Renewal Commission requirements in respect of Divisional Manager's and Branch Manager's Club Members from F.Y. 2013-14 to F.Y. 2017-18 are as following:

