



भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

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

Re: Revision of Agents' Club Rules w.e.f. Qualifying F.Y. 2010-11 (M.Y.-2011-12).

The qualifying criteria for Entry as well as Continuation of membership of different clubs have been revised. These revised rules shall be applicable from the Financial Year 2010-2011 (M. Y. 2011-12). The revised Rules shall be as follows:

1. Club Membership Eligibility Criteria:

Instead of having two Conditions "A" and "B", there will be a Single Membership Criteria comprising of following Conditions, as mentioned below, for Entry and Continuation into the Clubs. The revised criterion is as per the following Table:

TABLE 1

Sr. No.	Name of Club	CM's Club	ZM's Club	DM's Club	BM's Club
1.	Minimum Net No. of Lives	50	40	30	20
2.	a. Net No. of Lives	130	100	80	50
	OR	600	400	250	150
	b. No. of Lives In-force				
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

2. No. of years for which Criteria will have to be fulfilled:

The Criteria will have to be fulfilled in Qualifying Year and in any **two** out of **three** Financial Years **preceding** the **Qualifying year** for both Entry and Continuation.

3. Transitional Arrangements:

Since the two conditions have been merged into one and the parameter of Sum Assured has been dispensed with, in order to have smooth transition to the above-mentioned, transitional arrangements shall be applicable to agents who are already members of different clubs during the membership year 2010-2011 and those who are not members of any club but have fulfilled the criteria for club membership for one or more relevant years for Entry either under Condition "A" or "B" prior to Financial Year 2010-2011 according to the rules prevailing immediately prior to this revision. These transitional arrangements shall be applicable for two financial years 2010-2011 and 2011-2012. The transitional arrangements as detailed in **Annexure I**

4. Minimum Net Number of Lives : Condition No.1

An agent aspiring to enter into or continue membership of any club will be required to bring in Minimum Net number of Lives in Qualifying Year and in each of the years reckoned for his/her entry/Continuation of his/her club membership. This is a mandatory condition.

5. Net Number of Lives/ Number of Lives in force: Condition No. 2:

An agent can either bring in the 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 i.e. he/she has to fulfill either condition 2a or 2b.

6. Relaxation Clause:

An agent will have to fulfill condition with regard to Renewal Commission and First Year Renewal Commission as per **Table 1** above. However, a shortfall in fulfillment of First Year Commission (paid) condition may be condoned maximum up to 50%, in years to be reckoned for Club Membership, provided it is compensated with the same or higher percentage increase on the basic condition prescribed for Renewal Commission paid

Or

A shortfall in fulfillment of Renewal Commission paid condition may be condoned up to a maximum of 100% in years to be reckoned for Club Membership provided it is compensated with the same or higher percentage increase on the basic condition prescribed for First Year Commission paid.

7. Escalation Clause:

From the Membership Year 2014-15 (Qualifying Financial Year 2013-14), a 5% escalation clause each year on the previous year's Entry criteria in respect of First Year Commission paid and Renewal Commission paid (rounded off to nearest thousand) will be applicable for entry to any club. However, for continuation there will be a concession for one year in applicability of the escalation clause, i.e., 5% escalation clause on the previous year's Continuation criteria in respect of First Year Commission paid and Renewal Commission paid (rounded off to nearest thousand) shall be applicable from Membership year 2015-06 (Qualifying Financial Year 2014-15). Please see **Annexure-II** for details.

8. Relaxation in fulfillment of qualifying criteria:

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 can continue the membership of the same club by fulfilling at least 75% of the criteria applicable for that club.

9. Various terms that are used in the Club Rules:

a. The year in which an agent becomes member of a Club is known as the

Membership Year. It runs from 1st September to the following 31st August. The Financial year immediately preceding the Membership Year is known as the Qualifying Year.

b. Definition of Net Number of Lives, Number of Lives in Force:

There is no change in the definition of Net number of lives and number of lives in force. However, we are reproducing the same below:

- i. "Net Number of Lives" are distinct lives insured (not number of policies) during the qualifying financial year reduced by the number of lives who had been insured in the financial year preceding the qualifying financial year whose policies are lapsed as on 31st March of the said qualifying financial year.
- ii. "Number of Lives in Force" are the number of lives in force at the end of each relevant year out of the total business completed by the agent from the inception of the agency to the end of each such financial year. If the same life takes more than one insurance in the same financial year, it will be counted as one life only.
- iii. "Pucca lapsed policies" -The policies under which overdue premium/s remain unpaid for more than six months from the date of the first unpaid premium are deemed to be pucca lapsed for the purpose of arriving at Net Number of Lives in determining agents eligibility for membership of any club. All policies issued in the previous financial year which stand pucca lapsed as on 31st March of the subsequent financial year are to be deducted from the policies issued in the subsequent year to arrive at the 'Net' figure for considering the agent's eligibility for Club Membership irrespective of whether the first unpaid premium was due in the previous financial year or the subsequent financial year.
- iv. "First Year Commission" includes Bonus Commission paid in the financial year.
- v. "Commission earned" means Commission actually 'paid' to the agents during any financial year.

10. Definition of Minimum Net No. of Lives:

This is the minimum no. of 'Net Number of Lives' as defined above which are to be secured in a financial year.

11. Credit for revived policies:

Any agent, who has revived policies in respect of business completed by him/her during the financial year preceding the Qualifying Financial year, is allowed to claim credit to the extent of 'lives revived' in arriving at 'Net Number of lives' if such policies are in force as on 31st March of the qualifying financial year. However, the agent must submit the full details of such policies revived by him/her as per the Proforma in '**Annexure III**' and make a representation to the Branch Office for allowing such credit within a period of 2 months from the close of the qualifying financial year. The Branch Office after due verification of the particulars, shall grant credit in arriving at 'Net Number of Lives' only if the agent is falling short of the required norm. The period of 2 months from the close of the qualifying financial year is for making a representation to the office and not for reviving the policies upto 31st May.

12. Interviews for Club Membership:

Mere fulfillment of criteria for entry to any club does not confer upon an agent the club membership unless he/she has been interviewed and found suitable for admission to the club by the Competent Authority. Every agent who is to be admitted to any club for the first time or who is to be promoted to the higher club shall be subjected to an interview by the Competent Authority. This is true even for promotion of a Zonal Manager's Club Member to the Chairman's Club or Divisional Manager's Club Members to Zonal Manager's Club. Interview for entry into the Chairman's/Zonal Manager's club shall be conducted by a committee constituted as per the guidelines issued by the Central Office from time to time. More than one committee depending upon the number of candidates to be interviewed can be formed so that interviews are completed as quickly as possible.

The agent/s who do not fit into the philosophy of these clubs meant for professionals should not be admitted. It may however happen that though a few agents, who may be quite conversant with the various plans of insurance, may not be actually working in the field and selling life insurance. Such agents would not be suitable for entry to the clubs and are to be weeded out at the time of interview for entry into these clubs. The real touchstone for membership into these senior clubs is that the agent should be one who besides being conversant with the fundamentals of life insurance, various plans of the Corporation and other saving instruments and market especially Insurance market, should be working in the field and selling life insurance and providing due services to policyholders. In addition, his/her conduct and behaviour shall also be taken into account while granting the membership.

The agents who have been relegated to a lower club due to non fulfillment of business conditions should not be called for the interview.

There will be no interview for an agent who becomes eligible for admission into B.Ms Club/Distinguished Club.

An agent who becomes eligible for admission to Divisional Manager's Club will be interviewed by a committee appointed by the Sr./ Divisional Manager (I/C) of the Division.

An agent who becomes eligible for admission to Z.M's/C.M's Club will be interviewed by a committee appointed by the Zonal Manager I/c. The interview committee constituted for this purpose will be one R.M from the Zonal Office preferably one who has worked on the Marketing side (to be nominated by Zonal Manager), Sr./Divisional Manager(I/C) of Divisional Offices and Marketing Manager of the Division.

If an agent who has appeared for an interview before the interview committee has failed to satisfy the committee for two successive years, then such an agent may be given a third opportunity to appear for the interview. However the competent authority for allowing this will be the Zonal Manager(I/C) for interviews to the C.M's Club and Z.M's Club and the Sr./Divisional Manager(I/C) of the Division for the Divisional Manager's Club. The Zonal Manager (I/C) of the Zone or the Sr./Divisional Manager (I/C) of the Division as the case may be should record the reasons in writing for allowing third opportunity. If such an agent fails to satisfy the interview committee on the third occasion then such an agent has to be debarred for two years from appearing for the interview. However, thereafter the agent may be called for an interview, in the third year, provided he/she is still satisfying the conditions of entry into the club and Sr./Branch Manager make special recommendations stating as to how he considers the agent has improved and is worth considering for entry into the club. In case of an agent who is called for an interview for the third year, as stated above, no T.A or D.A is payable to such an agent, even though the interview takes place outside his/her headquarters.

The debarring of an agent for two years from appearing for the interview in the event of failure on his/her part to satisfy the interview committee for three successive years holds

good irrespective of the levels of club for which he/she was interviewed.

The interviews shall be completed in such a way that the results are declared by **31st July** every year.

13. Training:

Every agent who is admitted as a member of any club and/or one whose membership is continued in the said Membership Year will be required to undergo training at ZTC/STC /Jeevan Vidya Trust or training by similar other training institute/s or by institutes engaged in on-line training as may be approved from time to time, failing which the club member agent shall render himself/herself ineligible for continuation of the benefit of the Office Allowance and interest free loan/advances in the following year.

The Competent Authority, may however, at its sole discretion, allow reimbursement of the Office Allowance and condone interest in exceptional circumstances if it is satisfied that requirement of training could not be fulfilled due to reasons beyond the control of the agent. The reasons for allowing the benefit etc shall be recorded in writing.

In the latter case, the said agent shall have to undergo training positively in the following year of continuation failing which recovery of amount so reimbursed and/or interest condoned together with interest @ 12% shall be recovered from his/her commission.

Note 1: The Life Members are not governed by this provision.

Note 2: Club Members aged 60 years and above are exempted.

Note 3: An agent who has undergone training at any of the above institutions even as a non-club member is deemed to have fulfilled this training requirement.

Note 4: The training taken shall be valid for a period of 4 years from the date of completion of the training.

Notes 5: The MDRT Training given to MDRT Qualifiers at the Zonal Training Centers would also be counted as an approved training imparted to the agent and the certificate issued by ZTCs will be recognised as proper for the purpose of Club Membership benefits.

14. Life Membership of Clubs:

Life Membership for Chairman's and Zonal Manager's Clubs will be granted on fulfillment of any of the following conditions:

(A) Minimum age of 60 completed years as on the date of commencement of Club Membership year; **and**

Continuous membership in the same club (either Chairman's or Zonal Manager's club) for not less than 15 membership years

OR

(B) Continuous membership in the same club (either Chairman's or Zonal Manager's Club) for not less than 25 membership years.

If an agent after having been a continuous member of the Zonal Manager's Club for less than 15 years and then becomes a member of the Chairman's Club and he/she continually retains his/her membership of CM's Club for at least that many years that is falling short to reach 15/25 years, for being a Life Member, then in such a case Life Member of Z.M Club shall be awarded to that agent by clubbing those years in which he/she was a member of the C.M's Club.

A Life member need not fulfill the mandatory condition (Condition 1 as mentioned in Table). **However, they will have to fulfill the other conditions for continuing as a Regular Life Member as per Table 1.** A non-regular life member is the one who has not fulfilled the eligibility criteria prescribed for the Chairman's/Zonal Manager's Club. A non-regular life member will not be eligible for any monetary benefits including participation in the Convention. Such an agent will be eligible for functional privileges only.

Notes:-

- a. An agent who becomes a life member of a club and also qualifies for the membership of a higher club, will have the option to avail of the benefits and functional privileges of either the life membership of the lower club or the benefits and functional privileges as a regular member of the higher club. He shall not be entitled to the benefits of both the clubs concurrently.
- b. The agent will continue to be a life member as long as he is an agent and does the MBG (unless he is an exempted there from) and will be entitled to exercise all functional privileges of the club concerned with reference to servicing etc. If at any point of time, he fulfils the requirements for condition of membership, he will automatically be restored to full fledged membership.

15. Agency with any other Insurer:

If any member/s of an LIC agent's family has taken agency/Corporate Agency or is a Specified person / Financial Services Executive / Direct Sales Executive with any other Life Insurer or is a Life Insurance Broker, then the agent working with LIC shall not be eligible for grant / continuation of Membership of any Club. The definition of members of family of an agent shall include-

- (i) Spouse;
- (ii) Children or step-children staying with the existing agent;
- (iii) Any other person related whether by blood or marriage staying with the existing agent

Or as amended by LIC of India from time to time.

16. General:

- a. The business done by an agent in any part of India will be considered for reckoning the eligibility for qualifying for membership of any club.
- b. Only a 'Qualified Agent' i.e., an agent who has completed the minimum business quota as per the Agents Regulations, 1972 and as amended from time to time is eligible to enter or continue as a member of any Club.
- c. If the agency is terminated for any reason whatsoever the club membership including life membership will automatically cease. On reinstatement of agency, the Club membership including life membership may be revived depending on the merits of the case. If as a result of any disciplinary action against the agent, the agency is terminated and subsequently it is reinstated by the higher authority, then both the club membership and life membership may be restored unless otherwise decided.
- d. An agent will also lose his/her club membership if his/her agency is terminated on account of non-renewal of license. In such a case, the Sr./Divisional Manager (I/C) may reinstate the club membership and life membership in deserving cases provided the license is renewed in chain within a period of 1 year from the date of expiry of the licence. This applies to membership of all clubs i.e, C.M, Z.M,D.M and B.M. Club.
- e. Minimum business guarantee will not apply to an agent who has been exempted from the same under the Agents Regulations, 1972.

17. Fringe Benefits:

A. Office Allowance:

(i) Basic Office Allowance:

The amount payable as 'Office Allowance' to members of CM's/ZM's/DM's Clubs with effect from applicable Membership Year would be -

50% of actual expenses determined as per rules

OR

7 1/2 % of total commission (FYC + RC) earned by the agent in preceding F.Y.

OR

Rs.35,000 in the case of CM's Club Member, Rs.20,000 for ZM's Club Member and Rs.12,000 for DM's Club Members.

Whichever is the Least

Reimbursement of Office Allowance is done to the CM's ZM's and DM's club members for maintaining an "Office" depending on the expenses incurred during the Membership Year which includes--

- Rent paid (Actual)
- Salaries paid to Staff (Actual)
- Postage incurred (Actual)
- Amount spent on stationery
- Amount spend on Office maintenance and Electricity
- Expenses on entertainment

"Office" should at least have the following minimum infrastructure –

1. Room of decent size that can be called an 'office' and should have seating space for the agent, his staff and customers.
2. At the entrance a visible board specifying the name of the Agent, his/her club membership, Name of the Corporation.
3. Furniture – Chairs, Table, Almirah / Other storage cabinets for keeping the records/documents of the clients.
4. Adequate publicity of our existing/new products should be made in the office. Needless to mention, that the office should not be indicative of the agent indulging into/showing any kind of interest in the sale of products of our competitors.
5. All important stationery/manuals/relevant brochure/pamphlets/documents that would enable him to canvass business.
6. Care has to be taken to ensure that the office is being properly maintained by the agent before his office allowance is released.
7. The Sr./Branch Manager(In-charge) or an Administrative Officer to be nominated by the Sr./Branch Manager of the Branch Office where the agent is working will inspect the office/related bills/books of accounts for reimbursement of Office Allowance. The papers for sanction of reimbursement will however be sent to the controlling Divisional Office.

Claiming the office allowance:-

1. The 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.
2. The reimbursement of Office Allowance shall be subject to the inspection of office, related bills, books of accounts, etc., by the Sr./Branch Manager in-charge or an officer not below the rank of Administrative Officer to be nominated by the Sr./Manager incharge of the Branch Office where the agent is working.
3. The concerned Club Member Agent will have to submit all the original bills/receipts to the office and our offices while making the payment will affix a stamp (only on those original

bills/receipts for which the reimbursement/payment has been made) to the effect that so much amount has been paid as office allowance after deducting TDS.

Thereafter the original bills/receipts may be returned to the Club Member Agent after retaining the copies of the same duly certified by a Class I officer of the Corporation.

The same procedure may be followed for payment/reimbursement of Telephone Expenses to the eligible Club Member Agents.

The wording of the stamp to be affixed on the Bills/receipts may be as follows:

“Rs..... reimbursed as
office allowance for M.Y.....
TDS Rs.....”

NOTE: Where both the agent and his/her spouse are Club Member Agents, and then in such a case Office Allowance will be payable to only one Club Member Agent. If both the agent and his/her spouse are Club Member Agents of different clubs, then in such a case only one Office Allowance as applicable to the Higher Club will be reimbursed. In view of this the facility of payment of Office Allowance for maintaining joint office by the club member agents will no longer be available.

The payment of office allowance where two or more club members (other than husband and wife) have a common office has to be one as per the instructions contained in our C.O. Circular Ref: Mktg/ZD/15/79 dated 5.5.1979 which states that –

i) If two club members maintain a joint office, each would be entitled to an office allowance not exceeding 75% of individual entitlement of office allowance under the existing club rules, but not less than the allowance available to only one of any of the two agents concerned;

ii) If three or more club members maintain a joint office, each would be entitled to an office allowance not exceeding 60% of individual entitlement of office allowance under the existing rules, but not less than the allowance available to only one of any of the three or more agents concerned.

Chairman's Club Member maintaining a personal computer shall be paid an additional office allowance at the rate of 5% of the amount in excess of the total commission over Rs.1,85,000.00 subject to a maximum of Rs.6,000.00

Note: The above additional office allowance is paid to CM's Club Member for maintaining a personal computer i.e, expenses incurred for using the computer. This will be paid even the PC is not under AMC and no loan/advance has been taken by the agent from the corporation for purchase of the same.

(B) Additional Office Allowance on account of lesser lapsation :

A Chairman's/Zonal Manager's/Divisional Manager's Club Member agent will be eligible for 'Additional Office Allowance' (in addition to the Basic Office Allowance an agent actually earns as detailed in Clause 17A (i) above) at the following rates if the percentage of lapsation of policies is 10% or less in each of the last 3 financial years preceding the qualifying year at the following rates:

Percentage of lapsation (In %)	Additional Office Allowance (In %)
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
0	30

The Additional Office Allowance shall be calculated on the Basic Office Allowance payable to him as detailed in Clause 17A (i) above. Branch Manager's Club Member Agent will be eligible for Additional Stationery Allowance and the same shall be calculated on the aforesaid lines.

Additional Office Allowance will be calculated on the basis of the average of the lapsation percentages of the last three financial years preceding the Qualifying Year. The Lapsation has to be less than or equal to 10% in each of the last three years.

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:

An agent will not be eligible for any benefit if the Lapsation of policies secured by such an agent is more than 15% in the financial year immediately preceding the Qualifying year even if the agent fulfills the other eligibility conditions prescribed.

If the Lapsation of policies by an agent is more than 15% for two consecutive financial years then he/she will cease to be club member.

b. For such agents who are aspiring to become Club Members:

If the Lapsation of policies secured by such an agent is more than 15% for any financial year then that year will not be considered for reckoning the eligibility for entry into any club even if he/she meets all the other conditions. The agent will have to qualify for one more year. If the Lapsation of policies by such an agent is more than 15% for two consecutive financial years preceding the qualifying year, then the agent shall have to start afresh. No credit will be given for the years during which he/she would have already qualified.

(C) Office Allowance for potential CM's Club Members:

The potential Chairman's Club qualifiers, i.e. agents who would satisfy the CM's club conditions in one/two consecutive Financial Years, would be paid Office Allowance in such first F.Y. and second F.Y. as follows:

1. For any such financial year in which he satisfies CM's Club entry conditions an office allowance of Rs.12, 000/- or Office Allowance otherwise payable to him (if any) shall be payable whichever is higher.
2. If an agent satisfies CM's Club entry conditions in the next financial year also, he will be paid an Office Allowance of Rs.20, 000/- or Office Allowance otherwise payable to him (if any) whichever is higher.

Example:

- a. **An agent who is at present a Divisional Manager's Club Member and is at present drawing an office allowance of Rs.11250.** If such an agent fulfills the Entry conditions for CM's Club in one year, he shall be paid office allowance of Rs.12000 instead of RS.11250 i.e. he will be paid Rs.750 in excess of the office allowance which he is entitled for his performance as a Divisional Manager's club member
- b. **An agent who is at present a Zonal Manager's Club Member and is drawing an office allowance of Rs.20000.** If such an agent fulfills the Entry conditions for CM's Club in one year, he shall not be paid any additional allowance as he is already getting office allowance of Rs.20000.
- c. **An Agent who is at present not a Club Member:** If such an agent fulfills the Entry conditions for CM's Club in one year, he shall be paid office allowance of Rs.12000. If he fulfills the conditions consecutively he shall be paid an office allowance of Rs.20000.

D. Telephone facility to CM's and ZM's Club Members- reimbursement for Landline and /or Mobile Phone Call Charges:

a. CM's and ZM's Club Member agents:

Reimbursement for rental and call charges of Landline and /or Mobile phone will be made per year up to the following maximum amounts subject to production of bills:

- (i) To CM's Club Members: Rs.6, 000 per year.
- (ii) To ZM's Club Members: Rs.4, 000 per year.

b. Introduction of benefit of Reimbursement for Mobile Phone Call Charges to all DM's and BM's Club agents:

Reimbursement for Mobile phone rental and call charges will be made per year, to all DM/s/BM's Club Member agents, up to the following maximum amounts subject to production of bills:

- (i) To DM's Club Members: Rs.2, 400 per year.
- (ii) To BM's Club Members: Rs.1, 800 per year.

Time Limit for Reimbursement:-

The Telephone call charges and rental charges etc. as stated above will be settled (or reimbursed) every quarter as soon as the bill is received. The claim for payment will have to be submitted within six months from the expiry of the club membership year.

E. Sales promotional Gift items (including Diaries and calendars):

The reimbursement towards sales promotional gift items for various Club member Agents from M.Y. 2011-12 are specified below:

Club Membership	Reimbursement towards Sales promotional gift items (including Diaries and calendars) (in Rs.)
Chairman's	3000
Zonal Manager's	2000
Divisional Manager's	1000
Branch Manager's	500

F. Mementos to Club Member Agents not covered under GIS:

The club member agents who are not covered under the Group Insurance Scheme (GIS) for club member agents shall get the memento as per existing rules.

The Life Members of Chairman's/Zonal Manager's Club who are covered under GIS and non-regular Life Members (i.e., not qualified as a regular member) are not entitled for the Mementos. The respective Branch Offices shall arrange for the purchase and distribution of the Mementos to **all** the eligible Club Members. The cost of Mementos is to be absorbed by the respective Divisional Offices under the head 'Club Expenses'. The Branch Offices will send the necessary Debit Advices to their controlling Divisional Offices. Necessary budget provisions are to be made under this account by the Divisional Offices in respect of all the Club Member Agents who are not covered under the GIS Scheme. The distribution of the Mementos should be completed before the close of the Financial Year falling in the Membership Year.

18. Graded Benefits for Higher Performance to Chairman's Club Members:

Graded benefits will be given to Chairman's Club Members having higher performance in the qualifying year and satisfying certain criteria as mentioned below:

Sr. No.	Performance Slab	Increased Maximum Limit		
		Office Allowance Reimbursement (Inclusive of Basic office allowance and additional office allowance as detailed in Clause 17 A (i) and 17 B)	Telephone Reimbursement. (Inclusive of telephone reimbursement of for CM's Club Members as detailed in 17 D 9(a)(i))	Sales Promotion & Gift Items (Inclusive of amount reimbursable to CM's Club members as detailed in Clause 17 E)
1.	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/-	Rs.8,000/-	Rs.5,000/-
2.	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/-	Rs.10,000/-	Rs.7,500/-
3.	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/-	Rs.12,000/-	Rs.10,000/-

The above payment of Office allowance shall be subjected to the overall limit of 50% of actual expenses determined as per rules or 7 1/2 % of total commission (FYC + RC) earned by the agent in preceding Financial Year or the Maximum amount indicated against each slab whichever is the least. The Inspection Team during the Annual Inspection shall visit the office of the Club Members getting the graded Office allowance on a sample basis.

19. LIC Guest House Facility:-

"Members of clubs at each level (Chairman's, Z.M's, D.M's or B.M's clubs) would be permitted to stay at guest houses, if any, of the LIC maintained in the area of the respective offices (Central Office, or the Zonal Office or Divisional or Branch Offices) according to the level of the Club of which they are members, at the same rate and subject to the same conditions as are applicable to the employees of the Corporation".

20. Complimentary copies of Diaries and Calendars

LIC produces diaries and calendars every year for sale to agents to help them to give as present to their clients, prospects etc. For personal use of members of the various clubs they are supplied diary/calendar every year, free of cost as per the particulars below for the year:-

Club Membership	Complimentary Items
Chairman's	1 Table Diary (Ordinary), 1 Pictorial Calendar.
Zonal Manager's	1 Table Diary (Ordinary), 1 Pictorial calendar
Divisional Manager's	1 Table Diary (Ordinary), 1 Pictorial calendar.
Branch Manager's	1 Table Diary (Ordinary).
Distinguished Club	1 Pictorial calendar.

21. Complimentary copy of 'Yogakshema'

Members of Chairman's and Z.M's Club are entitled to a free copy of 'Yogakshema'

Other Fringe Benefits to Club Member Agents will remain unchanged.

22. Income Tax on Office Allowance & Fringe Benefits to Club Members

I.T at the appropriate rates has to be deducted as per rules on **all** payments including reimbursements made to the agents towards office allowance, telephone and other items such as letterheads, visiting cards, sales promotional gift items etc. Income Tax should also be deducted at source as per rules on the payment/reimbursement made to Branch Manager's/Distinguished Club Member Agents towards stationery items. However, a mention should be made in the yearly Income-Tax certificate issued to the agent about the tax deducted at source on such items. The agents may be suitably advised to claim the expenses incurred by them while filing their Income-tax returns to the satisfaction of the assessing officer.

23. Functional Privileges

There is no change in the functional privileges.

24. Certificate of Membership:-

The members of the Agents Clubs will get a duly signed certificate of membership from the Chairman, Zonal Manager, Divisional Manager or the Branch Manager depending upon the club in which the membership is enjoyed. It is necessary that the club member agent displays the 'certificate of membership (alongwith the Agents' Licence) in Office maintained by them as this will impress the visitors and clients about the stature in the profession. In respect of C.M's Club the Membership Certificates will be issued to the New Entrants to the Club only and 'a letter certifying the continuing Membership' will be issued to all the existing Members of the C.M's Club by the respective Zonal Offices.

25. Club Membership Badges:-

The Club Membership Badges will be given only to the New Entrants to the Club.

26. Convention :-

A Convention for Club member agents will be held as per the existing rules or as amended from time to time.

27. Various authorities for admission/termination of Agent Clubs

Name of the Club	Competent Authority	
	For admission to the club	For termination of Membership of club
Branch Manager's Club/Distinguished Club	Officer in-charge of Branch	Officer in-charge of Division
Divisional Manager's Club	Officer in-charge of Division	Zonal Manager(I//C) of the Zone
Zonal Manager's Club	Regional Manager(Mktg.) duly authorised by the Z.M (I/C) of the Zone. Life Membership will be awarded by Z.M(I/C) of the Zone	Zonal Manager(I//C) of the Zone
Chairman's Club	Regional Manager(Mktg.) duly authorised by the Z.M(I/C) of the Zone. However, Life Membership will be awarded by Chairman.	Zonal Manager(I//C) of the Zone

28. Revision of Distinguished Agents' Club - Revised Conditions and Criterion:

The agent should have completed minimum one agency year and should be a confirmed agent. The agent should fulfill the following criteria for Entry/Continuation into the Distinguished Club:

Net Number of Lives: 40

First Year Commission Paid: Rs.50, 000

Revised Benefits:

Sr.No.	Particulars	Revised Ceiling
1.	Sales Promotional Gift Items	Up to Rs.400/-
2.	Letterheads, envelopes and visiting cards (As per CIP)(Number)	100
3.	Reimbursement of Stationery Expenses	Up to Rs.500/-

Other conditions of Distinguished Agents' Club will remain unchanged.

The agent/ member will be **required to submit the claim of membership**/continuation to any club on prescribed format as per proforma (Annexure IV) within 30 days of New Business closing. The office will verify the claim within 7 days of receipt.

Nothing contained in these Rules shall affect the right of the managing Director to deny Club Membership to an Agent without assigning any reason even if he/she becomes eligible to join the Club membership Scheme or terminate the Membership of an Agent if he/she is already a Club member.

The Managing Director reserves the right to amend, altar, relax, modify or delete any or all the rules governing the grant or continuation of the Membership of any or all the clubs including the grant of Life Membership, the Fringe benefits and the Functional Privileges thereof.

Encl: A/a

Executive Director (Mktg.)

Annexure-I

CRITERION FOR CLUB MEMBERSHIP UNDER TRANSITIONAL ARRANGEMENT
(PARA 3) EFFECTIVE FROM FINANCIAL YEAR 01.04.2010 TO 31.03.2011

FINANCIAL YEAR	CHAIRMAN'S CLUB			ZONAL MANAGER'S CLUB			DIVISIONAL MANAGER'S CLUB			BRANCH MANAGER'S CLUB		
	2010-2011	2011-2012	2012-2013	2010-2011	2011-2012	2012-2013	2010-2011	2011-2012	2012-2013	2010-2011	2011-2012	2012-2013
Minimum Net Number of Lives	15	30	50	10	25	40	8	18	30	5	12	20
Net Number of Lives	130	130	130	100	100	100	80	80	80	50	50	50
No. of Lives in Force	565	580	600	380	390	400	236	242	250	128	138	150
First Year Commission(Paid)	1,30,000	1,65,000	2,00,000	90,000	1,15,000	1,40,000	40,000	50,000	60,000	24,000	29,000	35,000
Renewal Commission (Paid)	1,30,000	1,60,000	2,00,000	95,000	1,15,000	1,40,000	65,000	75,000	90,000	36,000	43,000	50,000

RC and FYC related Entry and Continuation Conditions for subsequent M.Ys.**(a) For Chairman's Club Members:**

Financial Year	Entry		Continuation	
	FYC	RC	FYC	RC
2013-14	2,10,000	2,10,000	2,00,000	2,00,000
2014-15	2,21,000	2,21,000	2,10,000	2,10,000
2015-16	2,32,000	2,32,000	2,21,000	2,21,000
2016-17	2,44,000	2,44,000	2,32,000	2,32,000
2017-18	2,56,000	2,56,000	2,44,000	2,44,000

(b) For Zonal Manager's Club Members:

Financial Year	Entry		Continuation	
	FYC	RC	FYC	RC
2013-14	1,47,000	1,47,000	1,40,000	1,40,000
2014-15	1,54,000	1,54,000	1,47,000	1,47,000
2015-16	1,62,000	1,62,000	1,54,000	1,54,000
2016-17	1,70,000	1,70,000	1,62,000	1,62,000
2017-18	1,79,000	1,79,000	1,70,000	1,70,000

(b) For Divisional Manager's Club Members:

Financial Year	Entry		Continuation	
	FYC	RC	FYC	RC
2013-14	95,000	63,000	90,000	60,000
2014-15	1,00,000	66,000	95,000	63,000
2015-16	1,05,000	69,000	1,00,000	66,000
2016-17	1,10,000	72,000	1,05,000	69,000
2017-18	1,16,000	76,000	1,10,000	72,000

Since the escalation Clause is applicable only to FYC and RC, the Chart shows 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.

Annexure-II (Contd.)

(c) For Branch Manager's Club Members:

Financial Year	Entry		Continuation	
	FYC	RC	FYC	RC
2013-14	53,000	37,000	50,000	35,000
2014-15	56,000	39,000	53,000	37,000
2015-16	59,000	41,000	56,000	39,000
2016-17	62,000	43,000	59,000	41,000
2017-18	65,000	45,000	62,000	43,000

Since the escalation Clause is applicable only to FYC and RC, the Chart shows 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.

**Form of Application by an agent for claiming credit for
Net Number of Lives in respect of policies revived in terms of
Circular Ref: _____ dated: _____**

(This form is applicable for the Qualifying Financial Year 2010-2011) only. Appropriate changes be made in the form for its use in subsequent years)

To,
The Branch Manager,
LIC of India,
Branch Office,
-----.

Dear Sir,

**Re: Credit for Number of lives in respect of Policies revived for
Club Membership Year (2011-12)**

I wish to inform you that during the financial year 2010-2011, I have been instrumental in reviving the undermentioned policies which were influenced by me in the financial year 2009-2010 and which stood pucca lapsed in the qualifying financial year 2010-2011.

I now claim credit for net number of lives in respect of the aforesaid revived policies for the qualifying year 2010-2011. To enable you to consider my claim, I furnish here in below the requisite information:

Sl. No. (1)	Policy No. (2)	Name of Life Assured (3)	Date of commencement (4)	Date of Lapse (5)	Date of revival (6)	Position of the Policy as at 31.3.2011. (7)

Kindly examine my claim and allow me credit for Net No. of Lives as above for determination of membership of ----- club for the Membership Year 2011-2012.

Yours faithfully,

Signature of the Agent
Code No. _____.

**APPLICATION FOR MEMBERSHIP INTO CM/ZM/DM/BM/DISTINGUISHED AGENTS CLUB
ENTRY / CONTINUATION**

I request you to admit/continue me in _____ Club for the Membership Year _____

I give below the necessary data regarding my agency/business/commission etc. for your consideration :

Name of the Agent _____ Code No. _____

Address : _____

Phone No. Office : _____ E-mail _____ Cell No. _____

Resi. : _____

Date of Birth : _____ Nature of conveyance _____

Date of Appointment : _____ Date of supply : _____

Qualifi. Academic _____ Are you having PC _____

Professional _____ Bank A/c - Name of Bank _____

Insurance _____ SB/Current _____

A/c No. _____

Training Attended
STC/ZTC/MDC/IFSERT/
JEEVAN VIDYA/OTHERS

Institute

Period

Name of the Agent	Name of other member of the family who is an agent.	B.O. Code No.	Date of Appointment	Club Membership	Relationship

Club Membership of _____ (Name of Club) since _____

MDRT Membership since _____

NEW BUSINESS DATA

(Last 4 Agency Years ending before the close of Qualifying Financial Year)

Agency Year ending	Policies	F.P.I. (Rs)

Annexure IV(contd)

In Last 4 Financial Years

F.Y. ending (1)	No. of Policies (2)	No. of lives (3)	F.P.I. (Rs) (4)	Net No. of lives (5)

Commission earned (other than prescribed plan) (6)				NB under Pension Plan (7)			Net No. of lives in Force	No. of policies Revived
FYC (Rs.)	BC (Rs.)	RC (Rs.)	TOTAL (Rs.)	LIVES	PREMIUM (Rs.)	COMM (Rs.)		

No. of Policies lapsed during the year		No. of Claims arisen during the year				Total Non-Early Claims since agency appointment
First Year Lapse	Others	Total	Non- Early	Early	Repudiated	

I declare that the above details are true and correct for the best of my knowledge.

I agree to abide by the rules of Club membership.

I agree that my selection as Club Member/continuation as a Club Member is based on my performance/interview.

I also confirm that I am not subjected to any disqualification under any provisions or Regulations of Agency Rules, 1972,

As amended from time to time, Insurance Act, 1938, IRDA Regulations, 2000.

Witness :

Signature:

Observations/recommendations of Sr/BM :

Sr/DM :

RM(Mktg) :

ZM :