

Ref: CO/CRM/911 /23

August 1, 2013

To

The Zonal Managers,
All Sr./Divisional Managers,
Management Development Centre,
Audit & Insection.

Re: Campaign for Revival of lapsed policies From 5/8/2013 to 31/10/2013

It has been decided to launch a Campaign for revival of lapsed policies from 5/8/2013 to 31/10/2013. This campaign will help us to reduce the lapsation ratio, improve the conservation ratio and also address the issue of declining renewal premium income. This campaign will also help agents to improve their persistency ratio.

The following terms and conditions are prescribed for this Campaign:

A) Eligibility of policies

- Policies under all type of plans are allowed.
- Policies which are in lapsed condition for more than 6 months but less than 5 years from FUP as on 5/8/2013 will be eligible.
- All policies issued through different distribution channels are eligible.
- Anywhere revival of policies on the strength of without or with DGH/ FMR is allowed.

B) Concession in late fee

- If policyholder submits the revival requirements and pay all arrears of premiums, then concession in total late fee under each policy will be allowed on the basis of total amount of receivable premium as given below

Total Receivable premium amount under policy	Percentage of concession allowed in late fee per policy	Maximum amount of concession allowed per policy
Upto Rs. 1,00,000	20%	Rs. 1,000
From 1,00,001 to 3,00,000	25%	Rs. 1,500
From 3,00,001 and above	30%	Rs. 2,000

- Concession in late fee will be allowed for all type of revivals.
- Concession will be allowed to all policies irrespective of whether concession in late fee was availed earlier or not.
- In case of any shortfall of interest (late fee) after allowing the concession in late fee, x-charge can be created as per present rules.
- Concession in late fee will also be allowed under policies where no evidence of health will be required.

c) Revival Requirements

- Regular Revival (Health) requirements will be called as per sum to be revived.

D) Other instructions in respect of campaign :

- Program will be provided by CO-IT for extraction of data for lapsed policies required for campaign. This data will be extracted for all in-force and terminated agents. The data will be available in respective Branch for view purpose only. From this data; Branch will be able to give details of policy numbers which are not included in list for agents.
- Provision will be made to print the letters for policyholders and statement for In-force agents. Such letters and list of agent should be printed at Branch level. Branch (in-charge) should arrange for printing of letters and list for agents immediately.
- Letters to policyholders intimating about campaign will be printed for such policies where sum assured is Rs. 2 lakh and above only. Branch office should ensure that letters should be dispatched immediately to all such policyholders.
- Statement for agents will be available for in-force agents only. Such list for agent will include the list of lapsed policies where sum assured is Rs. 1 lakh and above. No list will be printed for terminated agents. This statement will be printed Development officer/ CLIA code wise.
- Branch-in-charge should arrange for the meeting of the agents and handover the said list to them explaining the salient features and benefits of the revival campaign.
- Each Division should arrange for printing of FLEX/Display boards giving information of revival campaign in regional language. Same should be displayed in each Branch, Satellite and Mini office. Display of such boards and banners should also be arranged at prominent locations for better publicity.
- For lapsed policies of Direct Marketing and B and AC channel, Letters to policyholders and list for agents should be printed at Divisional office only. Respective Managers of Direct Marketing and B & AC Dept should contact IT dept of Division for printing of letters and list. Respective Dept should also arrange for further dispatch of letters and distribution of list to Agents. Concerned Departments in Central office will issue the necessary instructions.
- Special focus should be given for revival of lapsed policies in Insurance week celebration for the year 2013.
- Divisional office should give wide publicity for special revival campaign in local print media with help of corporate communication Dept of zonal office.
- Facility to track the progress of revival campaign will be provided by us.

All offices are requested to issue proper instructions to all offices under their control and make the campaign for revival of lapsed policies a grand success.

Executive Director (CRM)