

AGENCY COMPENSATION HANDBOOK

Version 6.1



AGENCY COMPENSATION HANDBOOK

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AGENCY COMPENSATION HANDBOOK

MESSAGE FROM ANUSHA THAVARAJAH, CEO, AIA BHD.



Dear AIA Life Planners,

The year 2018 marks the beginning of a new era for AIA, as well as for the insurance and takaful industries at large. The implementation of the Balanced Scorecard (BSC) by Bank Negara Malaysia will change the way distributors across the industry do business for the better, by placing emphasis on the quality of advice and service provided to the customer.

To ensure that our internal policies and practices align with the BSC, we are introducing a new Agency Compensation Handbook to incorporate quality-based metrics such as quality of advice and level of service. This new handbook was created in consultation with our agency associations. Please take the time to read it as it details your new remuneration and benefits scheme, which now also rewards your efforts to provide personalized advice and attentive service to our customers.

The world that we live in is changing rapidly, and digitization is transforming the business landscape globally. Still, AIA Life Planners will continue to be the cornerstone of our business here in Malaysia. This is why we are committed to providing you with the right compensation, the right solutions as well as the right technology to help you continue to grow and succeed in this brave new world.

The future ahead of us is one that is bright. There is tremendous potential for growth in the Malaysian insurance and takaful industries. Let us propel ourselves into the future with the singular aim of enabling families to have a better life today, for a surer tomorrow. By staying true to this vision, I have no doubt that AIA will be Malaysia's first choice of health, wealth and protection partner for a very long time.

Best wishes,

A handwritten signature in black ink, appearing to read 'Anusha Thavarajah'.

Anusha Thavarajah
Chief Executive Officer
AIA Bhd.

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AGENCY COMPENSATION HANDBOOK

DISCLAIMER

1. This Agency Administration & Compensation Handbook sets out the general guidelines on the rules, policies and procedure for agents ('Administration & Compensation Rules').
2. This Agency Administration & Compensation Handbook is strictly for Internal Circulation only and is not for public viewing.
3. Treat this handbook as strictly 'Confidential'.
4. The Company reserves the absolute right to grant any privilege contained herein, and to make any changes to any rules, policies and procedures contained in this Agency Administration & Compensation Handbook as and when deemed necessary, with notification to the agency force via circular from time to time.

The background features a large white triangle on the left side, which is bordered by several overlapping triangles in various shades of orange and brown on the right side. The word "ADMINISTRATION" is written in a bold, orange, sans-serif font across the white area.

ADMINISTRATION

General Provisions

1.0. GENERAL PROVISIONS

1. Appointment to Higher Rank:

- 1.1. Refers to Life Planners who have met the appointment criteria to higher rank.

2. Approved Case:

- 2.1. Policy issued.
- 2.2. All new cases approved / captured / set in-force within the respective qualifying period.

3. Continuing Professional Development (CPD):

- 3.1. LIAM MOC requirement for training.

4. Conventional Life Policies:

- 4.1. Defined as Traditional Life + Investment-Linked Product (ILP) policies.

5. Downgrade:

- 5.1. Refers to leaders (Unit Manager / District Manager) who are unable to meet the MOC requirements as per the preset quota and downgraded to a rank lower than the current ranking.

6. Life Planner (LP):

- 6.1. Life Planner contracted with AIA of all ranks inclusive of agency leaders.
- 6.2. New Life Planner / Life Planner / Assistant Unit Manager / Unit Manager / District Manager.

7. New Life Planner (NLP):

- 7.1. Life Planners in their 1st & 2nd calendar year of contract with AIA (e.g. Life Planners contracted in July 2018 will be recognized as New Life Planner until end of 2019).
- 7.2. Life Planners who had been terminated for five (5) years or more prior to being re-contracted with AIA.

8. Existing Life Planner (ELP):

- 8.1. Life Planners in their 3rd year of contract with AIA and beyond based on AIA's calendar year.

9. IBFIM-TBE:

- 9.1. Islamic Banking and Finance Institute Malaysia – Takaful Basic Examination.

10. LIAM Status – Referred Listing:

10.1. Category 1

An agent / agency leader who has breached the Code of Ethics and Conduct, committing criminal breach of trust, violating the LIAM rules and regulations / resolutions, found guilty of cheating or impersonation in the Pre-Contract Examination.

10.2. Category 2

An agent / agency leader is placed under this category for breaches other than listed in Category 1.

10.3. Category 3

An agent / agency leader that has been adjudicated bankrupt or those with outstanding loans / owing money to the company.

10.4. Category 4

Individuals that have not registered with any insurance company and LIAM that are selling Life insurance.

11. Reinstatement:

11.1. Definition 1

Applies to leaders (Unit Manager / District Manager) who have been downgraded and wishes to regain his/her former position within the same calendar year of downgrading.

11.2. Definition 2

Applicable to Life Planners who have been terminated and returns to the Company within 12 months from the date of termination.

12. Rejoin:

- 12.1. Life Planners who have been terminated and return to the Company after 12 months from the date of termination.
- 12.2. Life Planners who has reinstated more than two (2) times.

Licensing

2.0. LICENSING

Objective : Potential Life Planners need to pass the relevant examinations pertaining to their preferred line of business prior to soliciting any new business.

Applicable to : All potential new Life Planners.

2.1. EXAMINATION AND LICENSING

No	License	Examination	Fees	
			Manual	Computer Based
1	Life	PCE (A+C)	RM 50	RM 80
		PCE (C)	RM 35	RM 75
2	Investment-Linked (Life)	CEILLI	RM 70	RM 95
3	General Insurance	PCE (A+B)	RM 50	RM 80
		PCE (B)	RM 35	RM 75
4	Family Takaful	TBE – Life (A+C)	-	RM 80
5	Private Retirement Scheme	PRS exam	Manual: RM 170 (Inclusive of exam & registration for first time registrants and those who are re-sitting for the exam only)	

Note:

- 1) All fees are subject to 6% GST.
- 2) Exam fees are subject to change by the respective examination body.

2.2. ENTRY REQUIREMENTS

No	Examination	Age	Academic Qualification
1	PCE	Aged 18 and above	<ul style="list-style-type: none"> • Minimum SPM / MCE with at least 5 (five) passes. • If Diploma, must be academic based.
2	TBE		<ul style="list-style-type: none"> • Minimum SPM / MCE qualification / certificate. • Other qualification recognized by Malaysian Takaful Association (MTA).
3	PRS	Aged 21 and above	<ul style="list-style-type: none"> • Minimum SPM / MCE qualification / certificate or its equivalent as determined by FIMM, with credit in Bahasa Malaysia, English or Mandarin and credit in Mathematics.

1. Rules:

- 1.1. Registration for PCE, CEILLI and TBE can be done via Agency Registration or directly with the examination board.
- 1.2. Registration of PRS exam must be done via APAM Sdn. Bhd.
- 1.3. Payment is to be made via postal order / bank draft upon submission of the registration form:
 - 1.3.1. PCE / CEILLI enrollment – issued to “The Malaysian Insurance Institute”.
 - 1.3.2. TBE enrollment – Issued to “IBFIM-TBE”.
 - 1.3.3. PRS examination – commission deduction at a fee of RM 170 for each examination sitting.
- 1.4. All examination fees are **NOT** reimbursable.

2.3. DILIGENCE CHECKING

Applicable to : All potential new Life Planners.

1. Requirements:

- 1.5. All appointment of new Life Planners are within the regulatory and statutory requirements of the Company and are required to go through diligence checking consisting of:
 - 1.5.1. Financial background check.
 - 1.5.2. Regulatory bodies status check.
 - 1.5.3. LIMRA Career Choice Report.
 - 1.5.4. IFACs – Anti Money Laundering and Anti-Terrorist check.
- 1.6. Only potential candidates who passed the initial diligence checking above are allowed to be contracted as Life Planners.

2. Rules:

- 2.1. The following applications will be rejected:
 - 2.1.1. The potential applicants have been declared bankrupt.
 - 2.1.2. Unhealthy financial standing namely unsettled debts, large financial burden, fraud involvement and/or related offences.
 - 2.1.3. Potential applicants recorded under Referred listing.

Example:

 - Unsettled outstanding balances with the previous insurer, committed fraud or declared bankrupt.
 - 2.1.4. Unclean records found in the IFACs listings.
- 2.2. Applications from potential applicants who are currently government officials will be reviewed, evaluated and subject to approval by the Company. Only applicants approved by the Company are allowed to be contracted as Life Planners.

2.4. REGISTRATION OF NEW LIFE PLANNERS' LICENSE WITH REGULATORY BODIES

Applicable to : New contracted Life Planners.

1. Requirements:

- 1.1. All contracted Life Planners are required to register with the following bodies after appointment:

No	License	Regulatory Bodies	First Time Registration (Excl. GST)	License Renewal Fees (Excl. GST)
1	Life	LIAM	RM 35 for 2 years	RM 25 yearly
2	General Insurance	PIAM	RM 50 for 2 years	RM 35 every 2 years
3	Family Takaful	MTA	RM 30 for 2 years	RM 30 every 2 years
4	Private Retirement Scheme (PRS)	FIMM	RM 73 for 1 year (For Exemption and Re-Registration)	RM 50 yearly
5	Agency Leader Corporation (ALC)	LIAM / MTA	RM 100 for 1 year	RM 100 yearly

Note:

- 1) Effective 1st April 2015, all fees are subject to 6% GST.
- 2) License fees are subject to change by the regulatory bodies.

2. Rules:

- 2.1. Registration fees for Life, Family Takaful, General Insurance and PRS representatives:
 - 2.1.1. First-time and renewal license registration fees – will be deducted from agent's commission account.
 - 2.1.2. During registration to LIAM or MTA, if the Life Planner's status is found to be Referred or 'Active' with other insurance company / Takaful Operator, the Company has the right to terminate the Life Planner without prior notice to the agency force.
- 2.2. Registration fees for General Insurance and PRS representatives:
 - 2.2.1. First-time and renewal license registration fees – will be deducted from agent's commission account.
- 2.3. Registration fees for ALC:
 - 2.3.1. First-time and renewal license registration fees – via personal cheque to "Life Insurance Association of Malaysia".
 - 2.3.2. First-time and renewal license registration fees – via personal cheque to "Malaysia Takaful Association".

New Appointments

3.0. NEW APPOINTMENTS

Applicable to : All potential new applicants (Life and Family Takaful / DAUM / DADM / PRS / GI).

3.1. TYPE OF EXAMINATIONS

1. Requirements:

- 1.1. All new recruits must be licensed under Life or Takaful before they can sign up other licenses.
- 1.2. Must pass the following examinations:

Type of Exam	Products			
	Life	Family Takaful	PRS	GI
PCE	A+C			A+B
CEILLI	✓			
TBE		✓		
PRS			✓	

Note:
 Life : Life Insurance
 GI : General Insurance
 PRS : Private Retirement Scheme

3.2. COMPULSORY DOCUMENTS

1. New Life Planner Application form.
2. Recent passport SIZE photos – two (2) copies (sky blue or white background only).
3. Latest academic certificate (SPM / Diploma / Degree).
4. Copy of Identification Card (front and back on the same page).
5. Copy of bank account details.
6. For applicants who have been contracted / still active with other insurance companies:
 - 6.1. LIAM Movement of Agents (MOA) form.
 - 6.2. Resignation Letter.
7. For re-register PRS applicant from previous company:
 - 7.1. Resignation Letter / Release Letter.

3.3. LIFE PLANNER (LIFE & FAMILY TAKAFUL)

1. Requirements:

- 1.1. Minimum 18 years old to maximum 60 years old. Entry age is calculated from date of birth till the year of appointment.
Example:
 - Applicant's date of birth: 19th August 2000
 - He/she is only considered as 18 years old on 19th August 2018
- 1.2. Completed the following programs:
 - 1.2.1. LIMRA Career Choice Report (only those with 'Recruit' or "Actively Recruit" status will be recruited).
 - 1.2.2. FIST (First Introductory Sales Training). This program must be attended and completed before the potential recruit is coded.
- 1.3. Passed Sijil Pelajaran Malaysia (SPM) with at least five (5) subjects' passes (including Bahasa Malaysia) or any other academic qualification that is equivalent to it.
- 1.4. Passed PCE (A+C) and CEILLI (for transacting Investment-Linked products).
- 1.5. Passed TBE exam (for Family Takaful applications).
- 1.6. **NOT** a bankrupt, convicted of serious fraud, heavily in debt or blacklisted.
- 1.7. Non-Malaysians holding Permanent Resident (PR) status can be contracted as Life Planners. Proof of PR status must be provided as supporting document during new agent application.

ADMINISTRATION

2. Rules:

- 2.1. Agency leaders must ensure accuracy of information in the New Life Planner application form before submission. Once the Life Planner has been contracted, **NO** changes are allowed particularly the introducer's information.
- 2.2. All required documents must be duly completed. Applications with incomplete documents will be returned for clarification and further action.
- 2.3. Life Planners must declare past appointment history, if any, at the time of application submission. Any dispute arising thereafter may be subjected to termination.
- 2.4. Waiting period before contracting:
 - 2.4.1. AIA Direct Marketing Telemarketing (DMTM) staff / AIA staff / AIA Shared Services – **6 months** from last termination / resignation date and vice versa.
 - 2.4.2. Ex-Bancassurance staff from Public Bank – **12 months** from last termination / resignation date and vice versa.

Note: The above is only applicable for permanent staff, where contract / temporary staff and/or intern is excluded.
- 2.5. Life Planner that rejoined within five (5) years from the point of termination, will not be counted as New Quality Life Planner.
- 2.6. Effective 1st December 2013, appointment of spouse, children and parents must be within the same unit. Relationship must be declared upon application.
- 2.7. Applicants that are placed under LIAM's referred Category 1, 2 and 4 are strictly **NOT** allowed to be contracted as Life Planners.
- 2.8. Applicants under Category 3 can only be appointed **AFTER** the "referred" status in LIAM system is lifted.
- 2.9. Submission of New Business cases are only allowed once the new Life Planner appointment with the Company is confirmed and updated into the system.

3.4. DIRECT APPOINTED UNIT MANAGER (DAUM) AND DIRECT APPOINTED DISTRICT MANAGER (DADM)

1. Requirements:

Rank	Education background			Employment background				Employment Industry
	SPM	STPM	Diploma	Degree & above	3 years	≥ 5 years	≥ 8 years	
UM	✓					✓		Marketing / Financial
		✓				✓		
			✓		✓			
				✓	✓			
DM				✓			✓	

2. Compulsory Documents Required:

Forms	DAUM	DADM
Recruiting leader's recommendation letter	✓	
Direct Appointment Application form	✓	✓
Referee Check	✓	✓

3. Rules:

- 3.1. Applicants must be interviewed by their respective Director of Agency (DOA), Senior Director of Agency (SDOA) or Chief Agency Officer (CAO) to determine whether the applicant is suitable for the position.
- 3.2. Applicants must be a full-time manager with AIA and should not have any salaried job or income from elsewhere.
- 3.3. During application, the DAUM and DADM applicant and must provide proof of resignation / release letter from previous company employment.
- 3.4. The Company will **NOT** appoint any candidates by offering him/her a higher ranking position than the one that he/she is previously holding with another insurance company.
- 3.5. DAUM / DADM will be subjected to the MOC requirements as stated in the "Maintenance of Contract (MOC)" section.

3.5. AGENCY LEADER CORPORATION (ALC)

1. Requirements:

Applicable to : District Manager (DM) who owns a legally incorporated body that is registered in Malaysia with a minimum paid-up capital of RM 10,000 **OR** are a Partnership / Limited Liability Partnership (LLP).

2. Compulsory Forms Required:

- 2.1. ALC Application Form.
- 2.2. Certificate of Incorporation of the Company.
- 2.3. Memorandum of Articles.
- 2.4. List of Shareholders.
- 2.5. Form 6 – Declaration of Compliance.
- 2.6. Form 11 – Notice of Resolution (if changes are made to the Memorandum and Articles of Association).
- 2.7. Form 24 – Return of Allotment of Shares.
- 2.8. Form 44 – Notice of Situation of Registered Office of Office Hours and Particulars of Changes.
- 2.9. Form 48A – Statutory Declaration by a Person before Appointment as Director, or by a Promoter before Incorporation of Corporation.
- 2.10. Form 49 – Return giving particulars in register of Managers and Secretaries and changes of particulars.
- 2.11. Photocopy of the Company's Bank Account statement.

Note: The above documents (from item 2.2 to 2.11) are required to be duly certified by the Company Secretary.

3. Rules:

- 3.1. The DM must inform the Company of any changes in the Boards of Directors or Shareholders of the ALC. Any transfer of shares and change in Board of Directors within the ALC must be updated to LIAM & MTA.
- 3.2. All shareholders who solicit Life Insurance sales must be a registered Life Planner with the Company.
- 3.3. Any incomplete supporting documentation will render the application rejected.

3.6. PRIVATE RETIREMENT SCHEME (PRS)

1. Requirements:

- 1.1. Applicable to Existing Life Planners only.
- 1.2. Minimum 21 years old to maximum 60 years old. Entry age is calculated from date of birth till the year of appointment.

Example:

- Applicant's date of birth: 19th August 1997
- He/she is only considered as 21 years old on 19th August 2018

- 1.3. At least a Grade 3 in Sijil Pelajaran Malaysia (this includes a credit in Bahasa Malaysia, English or Mandarin and a credit in Mathematics), MCE or any other equivalent or higher academic qualification as determined by FIMM.
- 1.4. Passed PRS exam **OR** submitted re-register application.
- 1.5. **NOT** an undischarged bankrupt, subjected to bankruptcy proceedings or has failed to meet any judgment debt.
- 1.6. **NOT** convicted of any criminal offence either locally or abroad.
- 1.7. **NOT** censured or reprimanded by any professional or trade body.
- 1.8. **NOT** denied or disqualified from memberships in any professional or trade body.

2. Compulsory Documents Required:

- 2.1. Application Form for Registration of Private Retirement Scheme Examination (PRS Exam).
- 2.2. Statutory Declaration Form:
 - 2.2.1. For new registration **OR**;
 - 2.2.2. For re-registration
- 2.3. Photograph Format Form.
- 2.4. Commission Deduction Authorization Form.
- 2.5. APAM Application Form.

2.6. APAM Contract:

Ranking	Type of Contract Required
Life Planner	<ul style="list-style-type: none"> APAM Agent Contract.
Unit Manager	<ul style="list-style-type: none"> APAM Agent Contract. APAM Unit Manager Contract.
District Manager	<ul style="list-style-type: none"> APAM Agent Contract. APAM District Manager Contract.

3. Rules:

3.1. If there is any incomplete supporting documentation, the application will be returned for clarification and further action.

3.7. GENERAL INSURANCE (GI)

1. Requirements:

- 1.1. Applicable to Existing Life Planners only.
- 1.2. Passed PCE (A+B).
- 1.3. Method of soliciting GI:
 - 1.3.1. Individual.
 - 1.3.2. Private Limited Company (PLC).

2. Compulsory Documents Required:

Documents	Individual	Private Limited Company (PLC)
Form A – Registration of Business	✓	
Form B – Change in Business Registration	✓	
Form D – Business License	✓	
Form 9 – Incorporation of Company		✓
Latest Annual Return		✓
Form 24 – Return of Allotment of Shares		✓
Form 49 – Directors, Managers and Secretaries		✓
Form 32A – Transfer of Shares		✓
Memorandum and Articles of Association		✓
NRIC of all Shareholders		✓
NRIC of Directors		✓
MII membership certificate (partner / corporate nominee / director)	✓	✓
PIAM Registration Certificate (for inclusion as 2nd Principal)	✓	✓
NRIC of Corporate Nominee	✓	✓
FEC Letter of Undertaking	✓	✓
Consent Letter for Screening	✓	✓

3. Rules:

- 3.1. All Life Planners intending to sell GI products are required to first join Life Insurance business line.
- 3.2. Application with incomplete supporting documentation will be returned for clarification and further action.
- 3.3. All shareholders must have PIAM license.

Appointment to Higher Rank

4.0. APPOINTMENT TO HIGHER RANK

4.1. ASSISTANT UNIT MANAGER (AUM)

Applicable to : Life Planners.

Frequency : Quarterly.

Appointment Date : 1st January, 1st April, 1st July and 1st October.

1. Appointment Criteria:

No	Qualifying Criteria	2018 onwards
1	TPC on Personal Sales (RM)	120,000
2	Manpower meeting MOC	2
3	Production period	Last 12 months
4	Persistency Rate (D1)	85%
5	Training (prior to appointment)	FLIM

Note:

- 1) All training course fees are not reimbursable.
- 2) Manpower includes direct life planners introduced by the applicant. The applicant cannot be counted as manpower. Only maximum 1 immediate family member of the applicant (parents, children & spouse) can be counted as manpower.
- 3) Production refers to the applicant's own personal sales.
- 4) D1 Persistency is based on the applicant's own personal sales from Conventional Life and Takaful (Individual Life and Investment-Linked Regular Premium).
- 5) Persistency for New / Rookie Life Planner is based on D0 persistency.
- 6) New Life Planners without D1 PR, must meet minimum D0 PR 85% to count as manpower for promotion purposes.
- 7) FLIM = Future Leaders In Making

2. Rules:

- 2.1. **NO** minimum service period is required. The candidate must fulfill all the AUM qualifying requirements before the quarterly review in order to be appointed.
- 2.2. Introducer's information in the applicant's new Life Planner application form is final, subsequent changes will not be entertained.
- 2.3. Only production for approved cases will be taken into consideration.
- 2.4. All mandatory training programs must be completed prior to appointment.
- 2.5. All existing Assistant Sales Managers (Ex-ING) and Agency Organizer (old AIA) will automatically be converted to Assistant Unit Managers (AUM) on 1st December 2013 without prior application.
- 2.6. For quarterly appointment, production is counted from the last 12 months prior to the appointment. The appointment criteria must be achieved in **FULL** i.e. equaled to or more than the quota.

4.2. UNIT MANAGER (UM)

Applicable to : New Life Planner (NLP), Life Planner (LP) and Assistant Unit Manager (AUM).

Frequency : Yearly.

Appointment Date : 1st January.

1. Appointment Criteria:

No	Qualifying Criteria	Qualification Period	2018 onwards
1	Service period	Last 24 months	Min. 24 months*
2	No of cases (Personal case)		24
3	Training (prior to appointment)		BAMC+
4	TPC – Direct Team Production (RM)	Last 12 months	300,000
5	TPC – Personal Sales Production (RM)		60,000
6	Manpower meeting MOC		6 (min 1 AUM)
7	Persistency Rate (D1)		85%

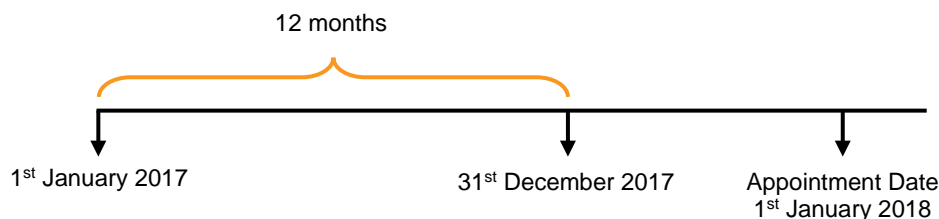
Note:

- 1) All training course fees are not reimbursable
- 2) Manpower includes **direct** and indirect (introduced by the down lines) manpower. The applicant cannot be counted as manpower.
- 3) Only maximum 1 immediate family member of the candidate (parents, children & spouse) can be counted as manpower.
- 4) Direct team production refers to production from all down lines (direct / indirect) who will be placed under the **new Unit Manager's** code after the Unit Manager appointment.
- 5) D1 Persistency is based on the candidate's own personal sales from Conventional Life and Takaful (Individual Life and Investment-Linked Regular Premium).
- 6) New Life Planners without D1 PR, must meet minimum D0 PR 85% to count as manpower for promotion purposes.

**For New Life Planner (NLP) / Life Planner (LP) applying for UM appointment that is unable to meet the min. 24 months service period within AIA, they must have at least 24 months service period as a Life Planner in the insurance industry with proof of record from LIAM/MTA.*

2. Rules:

- 2.1. Service period of **24 months** is calculated from the candidate's contracted date with the Company.
- 2.2. Appointment date is strictly based on the actual contract date updated in the system.
- 2.3. Only production for approved cases will be taken into consideration.
- 2.4. Unit production is defined as the production of all Life Planners under the AUM unit.
- 2.5. The production period is defined as one calendar year prior to the appointment date.
- 2.6. Illustration:



- 2.7. The candidates must attend and pass the Basic Agency Management Course Plus (BAMC+) prior to appointment. If the examination date of the BAMC+ training has exceeded 2 years prior to appointment, the candidates are required to attend an additional Refresher Course.
- 2.8. Life Planners recruited by the newly appointed UM but not included in the UM set-up form will not be transferred to the UM after appointment.

4.3. DISTRICT MANAGER (DM)

Applicable to : Unit Manager (UM) only.

Frequency : Yearly.

Appointment Date : 1st January.

1. Appointment Criteria:

No	Qualifying Criteria	2018 Onwards
1	Service period	Min. 3 years as UM*
2	TPC – District Production (including one level direct UM)	RM 1 million
3	Production period	Accumulated last 24 months
4	District Manpower – Life Planners and AUMs meeting MOC	10
5	One level down line UM meeting MOC (excludes spouse UM)	2
6	Training (prior to appointment)	LIMRA Pacesetter
7	Persistency Rate (D1)	85%

Note:

- 1) All training course fees are not reimbursable
- 2) Manpower – District manpower meeting MOC including Life Planners & AUMs from **direct** and **indirect** team (from one level down line UM); and excludes UM & DM. The applicant cannot be counted as manpower.
- 3) One level down UM:
 - a) Refers to UM who is directly recruited by the DM candidate.
 - b) UM that had been recruited by DM's direct one level down line agent (subsequently terminated) will be rolled-up and counted as DM's direct.
 - c) Excludes spouse UM & DAUM.
- 4) Total manpower requirement (Life Planner / AUM / UM) may only include max. 1 pax from immediate family members (parents, children & spouse).
- 5) District production refers to production from all down lines (direct / indirect) who will be placed under the **new District Manager's** code after the District Manager appointment.
- 6) D1 Persistency is based on the candidate's direct team sales (direct down line agents and own personal business) from Conventional Life and Takaful (Individual Life and Investment-Linked Regular Premium).
- 7) New Life Planners without D1 PR, must meet minimum D0 PR 85% to count as manpower for promotion purposes.

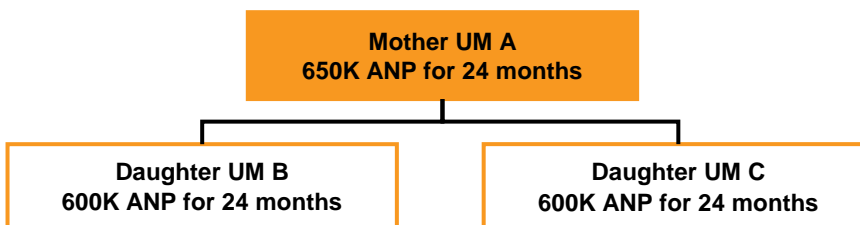
**For DAUMs applying for DM appointment, they must have at least 36 months service period as a Life Planner in the insurance industry with proof of record from LIAM/MTA.*

- 1.1. RM1 million All Lines ANP production requirements for the last 24 months include All Lines ANP. Production produced by the daughter UMs (one level) who were appointed prior to the DM appointment will be accounted for the Life ANP requirements.

Example:

- Mother UM A (RM 650K) + Daughter UM B (RM 600K) + Daughter UM C (RM 600K) = RM 1,850,000 ANP

- 1.2. Illustration:



2. Rules:

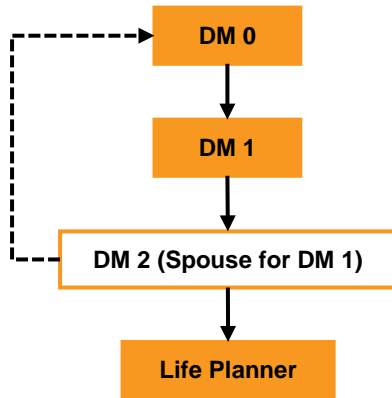
- 2.1. Appointment date is strictly based on the actual contract date updated in the system.
- 2.2. Only production for approved cases will be taken into consideration.

4.4. SPOUSE PROMOTION

1. Rules:

- 1.1. Rules on down line spouse promotion to Unit Manager and District Manager will be effective and applicable for promotion on and after 1st December 2013.
- 1.2. There will be **NO TRANSITION PERIOD** allowed.
- 1.3. Under the down line Spouse Promotion rule, a spouse who is appointed to Unit Manager / District Manager will be placed under the grandmother District Manager.

1.4. Illustration:



1.5. Unit Manager Remains Under Hierarchy of Spouse District Manager after Appointment:

- 1.5.1. In the event of a request that the Unit Manager applicant (who is the spouse of the District Manager) remains under the hierarchy of the District Manager after appointment, the applicant will be required to attend an interview session for evaluation purpose.
- 1.5.2. The panel of interviewers comprise of:
 - a) Immediate up line District Manager of spouse.
 - b) Chief Agency Officer (CAO).
 - c) Branch Manager.
 - d) Two (2) Peer Agency Leaders from other agencies.
- 1.5.3. Such application must be forwarded through the respective DOAs.
- 1.5.4. The management shall evaluate outcome of the interview and reserves its absolute discretion to approve or to reject such arrangement.
- 1.5.5. The interview evaluation is subject to approval from DGM and CEO.
- 1.5.6. No further appeal shall be considered for any rejected interview evaluation.
- 1.5.7. This is only applicable to UM appointment and not to DM appointment.

Maintenance of Contract (MOC)

5.0. MAINTENANCE OF CONTRACT (MOC)

Applicable to : All Life Planners and agency leaders of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

Review Period : Calendar Year (1st January – 31st December) – refer to below on review frequency.

1. Requirements:

Rank	Life Planner / New Life Planner	AUM	UM (by Direct Team)	DM (by District Group)
TPC (RM)	30,000	60,000	300,000	500,000
Manpower (meeting MOC)		1 (Current Year New Recruit)	6*	10*
D1 Persistency	85%	85%	85%	80% by District or 85% by Direct Team
CPD Training Hours	30	30	30	30
Failure to Meet MOC	Termination	Life Planner	Assistant Unit Manager	Unit Manager
Review Frequency	Quarterly	Yearly		

Note:

- 1) All training course fees are not reimbursable.
- 2) Parents, children & spouse can be counted as manpower. The leader personally can be counted as manpower for MOC provided the personal sales MOC is fulfilled.
- 3) In the event of Total Permanent Disability (TPD) or Critical Illness (CI), Maintenance of Contract (MOC) waiver may be granted for a maximum of five (5) years.
- 4) *Effective from 1st December 2016 onwards:
 - a) Life Planners that have achieved TPC RM 60,000 will be counted as 2 headcounts.
 - b) Only applicable for maximum of 2 Life Planners per leader for the treatment, and leaders' own personal sales (whom MOC are being reviewed) are excluded;
 - i) If UM's MOC that is being reviewed, only the UM's direct down line Life Planners will be counted under this treatment.
 - ii) If DM's MOC that is being reviewed, only the DM's direct / indirect down line Life Planners or UM will be counted under this treatment.
 - c) This treatment is only applicable for MOC requirement calculations for annual MOC review only.
 - d) This treatment is **NOT** applicable to those with extended half-year MOC review, and any incentives or compensation where manpower is required.
 - e) New Life Planner without D1 Persistency, will be exempted from Persistency requirements. This will be the same treatment for New Life Planner to be counted as manpower for MOC review purposes.

1.1. The above production and Persistency Rate (D1) achievement is an achievement of both Life and Family Takaful (Individual Life and Investment-Linked Regular Premium).

1.1.1. Life Planner:

- a) Based on Life Planner's own personal sales from Conventional Life and Takaful.

1.1.2. Unit Manager:

- a) Based on Unit Manager's direct team business (UM's own personal sales + personal sales from his/her agents).

1.1.3. District Manager:

- a) Based on District Manager's district business (DM's own personal sales + personal sales from DM's agents + one level down UM's personal sales + personal sales from the UM's agents').

1.2. The training requirements are a combination of both Life and Family Takaful training attendance provided all mandatory trainings for both are completed. In addition, the product trainings related to different business lines are compulsory.

1.3. For those who are transacting GI business, the CPD requirements are 20 hours. For further details on the Maintenance of PIAM contract, kindly refer to the General Insurance Agent Registration Regulation handbook.

ADMINISTRATION

- 1.4. Effective 1st December 2016 onwards, a new automated process of termination/demotion will be adopted that will include auto generation of termination/demotion letter to the affected Agency Force members that had failed to meet the MOC requirements.
 - 1.4.1. Termination of Life Planners will be on quarterly basis, while demotions of AUM, UM and DM ranks will be on annual basis.
 - 1.4.2. Upon notification, Life Planners and AUM will have 15 calendar days, while UM and DM will have 30 calendar days before termination.

2. Rules:

2.1. New Life Planner / Life Planner Review:

- 2.1.1. Refer to “Requirements” section above for MOC requirements.
- 2.1.2. Effective from 1st December 2016 onwards, New Life Planners who are in the 1st & 2nd calendar year after contracted are subject to quarterly MOC review. However there will be no MOC review for New Life Planners, during the quarter which they are contracted.
- 2.1.3. Effective from 1st December 2015, New Life Planners / Life Planners with production below year-to-date pro-rated quota for 2 consecutive quarters will have their Agent contract reviewed by the Company wherein the Company may exercise its right to terminate the Agent Contract.

Example:

Q1 (Jan-Mar)	Q2 (Apr-Jun)	Q3 (Jul-Sep)	Q4 (Oct-Dec)
Q1 YTD Pro-rated Quota = TPC 7.5K	Q2 YTD Pro-rated Quota = TPC 15K	Q1 YTD Pro-rated Quota = TPC 22.5K	Q1 YTD Pro-rated Quota = TPC 30K
TPC is ZERO → Termination			
TPC < 7.5K → Catch up in Q2	TPC < 15K → Termination		
TPC ≥ 7.5K → PASSED; proceed to Q2	TPC < 15K → Catch up in Q3	TPC < 22.5K → Termination	
	TPC ≥ 15K → PASSED; proceed to Q3	TPC < 22.5K → Catch up in Q4	TPC < 30K → Termination
		TPC ≥ 22.5K → PASSED; proceed to Q4	TPC < 30K → Termination

- 2.1.4. Must undergo 30 hours of training within the 1st 12 months of appointment including FIST (First Introductory Sales Training) and the New Life Planner On-Boarding E-Learning
 - a) Must be completed within 1st 12 months of contract.
 - b) **COMPULSORY** for Life Planners.
- 2.1.5. The 2nd year requires 20 CPD hours and the 3rd year onwards will require 30 CPD hours.
- 2.1.6. The training requirements of 30 CPD hours are a combination of both Life and Family Takaful training attendance provided all mandatory trainings for both are completed. In addition, product trainings related to different business line are compulsory.
- 2.1.7. Failure to fulfil the training requirement may lead to incomplete training requirement; and will subsequently result in termination of the Life Planner’s contract. However, the terminated Life Planner may be reinstated with the condition that they fulfil balance of the outstanding CPD hours by the end of the calendar year of reinstatement.
- 2.1.8. Any Registered Financial Planner (RFP) module must be completed within the 1st 4 years of appointment and the second module must be completed within the 1st 6 years of appointment.

2.2. Direct Appointed Unit Manager (DAUM) and Direct Appointed District Manager (DADM) Review

- 2.2.1. Full manpower requirement will follow the respective UM and DM’s requirements as provided in “Requirements” section above.
- 2.2.2. Must complete the following training requirements:
 - a) First Introductory Sales Training – within the first 6 months of 1st contracted year.
 - b) New Life Planner On-Boarding E-Learning – within the second 6 months of 2nd contracted year.
 - c) GROW – within 2nd contracted year.

2.2.3. CPD training requirements (combination of both Life and Family Takaful training attendance provided all mandatory trainings for both are completed. In addition, the product trainings related to different business lines are compulsory):

- a) 1st 12 months – Basic Agency Management Course Plus (BAMC+)
- b) 2nd year (13th – 24th month):

Applicable to DAUM only:

- PLM (Premier Leader Management) from the 13th to 15th month
- FUM (Follow-up Meetings) from the 16th to 24th month

Applicable to DADM only:

- GAMA ELM (Essentials of Leadership & Management)

2.2.4. Any Registered Financial Planner (RFP) module must be completed within the 1st 4 years of appointment and the second module must be completed within the 1st 6 years of appointment.

2.2.5. DAUMs and DADMs who are in the 3rd calendar year of appointment will be subject to full MOC requirements.

2.2.6. Failure to fulfil the training requirement may lead to incomplete training requirement; and will subsequently result in termination of the leader's contract. However, terminated leader may be reinstated with the condition that they fulfil balance of the outstanding CPD hours by the end of the calendar year of reinstatement.

2.3. Unit Manager (UM) Review

2.3.1. Refer to "Requirements" section above for MOC requirements.

2.3.2. CPD training requirements:

- a) 1st 12 months of appointment – as part of the 40 hours of leadership training.
 - i) Must complete PLM (Premier Leader Management) within the 1st 3 months; and FUM (Follow-up Meetings) from the 4th to 12th month of appointment.
- b) 2nd year onwards – 30 hours

2.3.3. UMs who are in the 2nd calendar year of appointment and onwards are subject to **FULL** MOC requirements.

2.3.4. Failure to fulfil the training requirement may lead to incomplete training requirement; and will subsequently result in termination of the leader's contract. However, terminated leader may be reinstated with the condition that they fulfil balance of the outstanding CPD hours by the end of the calendar year of reinstatement.

2.3.5. Unit Manager is entitled to the following production credit in the event of his/her down lines appointment to Unit Manager ranking:

- a) 50% TPC of the newly appointed down line manager's business in the first year of appointment.
- b) 25% TPC of the newly appointed down line manager's business in the second year of appointment.

2.4. District Manager (DM) Review

2.4.1. Refer to "Requirements" section above for MOC requirements.

2.4.2. CPD training requirements:

- a) 1st 12 months of appointment – 40 hours of leadership training. MUST complete GAMA ELM (Essentials of Leadership & Management) as part of the 40 hours of leadership training.

Note:

For new District Managers who have completed AMTC prior to December 2014 they are to attend Essentials of Leadership and Management (ELM) within 12 months after appointment.

- b) 2nd year onwards – 30 hours

2.4.3. Failure to fulfil the training requirement may lead to incomplete training requirement; and will subsequently result in termination of the contract. However, terminated leader may be reinstated with the condition that they fulfil balance of the outstanding CPD hours by the end of the calendar year of reinstatement.

2.4.4. DMs who are in the 2nd calendar year of appointment and onwards will be subject to **FULL** MOC requirements.

2.4.5. District Manager is entitled to the following production credit in the event of his/her down lines appointment to District Manager ranking:

- a) 50% TPC of the newly appointed down line manager's business in the first year of appointment.
- b) 25% TPC of the newly appointed down line manager's business in the second year of appointment.

2.4.6. All agents (including Unit Manager) within the district can be counted for fulfillment of production and manpower.

5.1. CONTRACT MAINTENANCE WAIVER

Applicable to : Leaders (Unit Manager / District Manager) ≥ 55 years of age **AND** have more than 15 years of service with the Company **OR** ≥ 20 years of service

1. Rules

- 1.1. The service period is calculated from the leaders' joining date as Life Planners.
- 1.2. Leaders who have qualified for the waiver **BEFORE** 30th November 2017, will be granted waiver. From 1st December 2017 onwards, waiver will be **NOT** be applicable.
- 1.3. Waiver only applies to TPC production and manpower requirements, therefore, fulfillment of the group persistency rate (D1) and CPD hours' training remain compulsory in order to qualify for the waiver.
- 1.4. In the event of Total Permanent Disability (TPD) or Critical Illness (CI), Maintenance of Contract (MOC) waiver may be granted for a maximum of 5 years. Medical report is only provided to the Company once and is not required yearly. However, if the leader is still critical ill by the end of the 5th year, the said leader is required to proceed with succession / retirement arrangement.

5.2. DOWNGRADE

Applicable to : Leaders (Unit Manager / District Manager) who do not fulfill their yearly Maintenance of Contract (MOC) requirements within the qualifying period.

1. District Manager (DM) to Unit Manager (UM)

- 1.1. DMs who are found to be non-compliant of their yearly MOC for 2 consecutive years can be given an extension of 6 months to meet their pro-rated MOC requirements in the 3rd year, but is subject to DOA's recommendation and approval.
- 1.2. The DMs who do not fulfill the extension requirements at the end of the grace period will be downgraded to UM with immediate effect.
- 1.3. Life Planners and AUM reporting directly to the downgraded DM will remain unchanged whereas the UMs will be auto rolled-up to the to the mother recruiter UM or mother recruiter DM.

2. Unit Manager (UM) to Assistant Unit Manager (AUM)

- 2.1. UMs who are found to be non-compliant of their yearly MOC for 2 consecutive years can be given an extension of 6 months to meet their pro-rated MOC requirements in the 3rd year, but is subject to DOA's recommendation and approval.
- 2.2. The UMs who do not fulfill the extension requirements at the end of the grace period will be downgraded to AUM with immediate effect.
- 2.3. After downgrading, he/she and the down lines will report to the immediate up line leader.

5.3. REINSTATEMENT

Applicable to : Leaders (Unit Manager / District Manager) who have been downgraded and wishes to regain his/her former position.

1. To the Rank of District Manager (DM)

- 1.1. The former DM must fulfill the current year's DM MOC requirements (include production achieved during the extension period) by **31st December** within the same calendar year of being downgraded.
- 1.2. To provide written notification to the Company for reinstatement upon fulfillment of MOC requirements.
- 1.3. **ALL** MOC requirements must be duly fulfilled.
- 1.4. If reinstatement is not done within the same calendar year, the downgraded DM must fulfill the appointment to DM criteria in order to regain his former position as DM.
- 1.5. Upon approval of reinstatement, all previous manpower including daughter UMs will be reverted to the reinstated DM.
- 1.6. Reinstatement to former position is strictly based on the actual reinstatement date updated in the system.

2. To the Rank of Unit Manager (UM)

- 2.1. The former UM must fulfill the current year's UM MOC requirements (including production achieved during the extension period) by **31st December** within the same calendar year of being downgraded.
- 2.2. To provide written notification to the Company for reinstatement upon fulfillment of MOC requirements.
- 2.3. **ALL** MOC requirements must be duly fulfilled.
- 2.4. If the reinstatement is not done within the same calendar year, the downgraded UM must fulfil the appointment to UM criteria in order to regain his former position as UM.
- 2.5. Upon approval of reinstatement, all previous manpower will be reverted to the reinstated UM.
- 2.6. Reinstatement to former position is strictly based on the actual reinstatement date updated in the system.

5.4. TERMINATION

1. General Rules

- 1.1. To be bound under the Termination and Suspension clause of the Agent's Contract.
- 1.2. The Life Insurance license (LIAM) or Takaful Insurance license (MTA) is the principal license for tied agency members respectively, where any termination of the Life or Takaful license due to whatsoever reasons will result in termination of respective business lines' contracts.
- 1.3. Life license is also the principal license for GI license (PIAM), therefore if Life license is terminated, then GI license will also be terminated.
- 1.4. For Hybrid Life Planners (having both Life and Takaful license), if only their Life license is terminated, then their Takaful license will still remained active, and vice-versa (unless both license is terminated).
- 1.5. Hybrid Life Planners that have failed to meet MOC requirements, both their Life and Takaful license will be terminated.
- 1.6. However, Hybrid Life Planners that have failed to meet either their Life or Takaful training requirements, the respective Life or Takaful license will be terminated accordingly.

2. Resignation

Applicable to : All Ranks

2.1. Rules

- 2.1.1. Life Planners who wish to resign from the Company must submit a duly signed resignation letter stating the reason for resignation.
- 2.1.2. The resignee is required to notify his/her leader of his/her intention to resign.
- 2.1.3. All resignation letters submitted must be acknowledged by immediate up line Unit Manager (UM) / District Manager (DM) and further endorsed by the DOA office.
- 2.1.4. In the event that the resignee is a UM, all Life Planner under this unit will be transferred to the mother UM. In the absence of the mother UM, all Life Planner will be transferred to the DM.
- 2.1.5. If the DM is the one applying for resignation, all Life Planner under this unit will then be transferred to the mother DM.
- 2.1.6. The rules of assignment of orphan policies apply for policies that are serviced by the resigned Life Planner.

3. Death

Applicable to : All Ranks

3.1. Rules

- 3.1.1. Upon the death of a Life Planner, the immediate leader or relatives of the deceased must inform the Company by providing a copy of the following for filing purposes:
 - a) His/her Death Certificate
 - b) Photocopy IC of beneficiary
 - c) Photocopy bank details
 - d) Proof of relationship (i.e. marriage / birth certificate)
- 3.1.2. Termination of the Life Planner will take effect from the date of death.
- 3.1.3. Determination of the leader's next of kin is based on the business succession plan that has been submitted during the leader's appointment to his/her current position.
- 3.1.4. If the deceased happens to be a UM, the down lines will be transferred to the mother UM. On the other hand, if the deceased is holding the position of DM, the down lines will be transferred to the mother DM.
- 3.1.5. **NO** further transfers of the affected down lines will be entertained for a minimum of 1 year.
- 3.1.6. The rules of assignment of orphan policies apply for policies that are serviced by the deceased Life Planner except **NO** commission will be given to the new servicing agent including commission derived from the renewal of these policies.

4. Misconduct

Applicable to : All Ranks

4.1. Rules

- 4.1.1. All initial reports of misconduct will be forwarded to the Investigation Unit for thorough investigation.
- 4.1.2. All commissions due to the Life Planner will be withheld during investigation.
- 4.1.3. Upon conviction, the Life Planner's contract will be terminated with immediate effect.
- 4.1.4. Life Planners convicted of malpractice are **NO** longer allowed to return to the Company.
- 4.1.5. All policies serviced by the terminated Life Planner will be transferred under Company Direct and will **NOT** be assigned to any Life Planners.

5. Bankruptcy

Applicable to : All Ranks

5.1. Rules

- 5.1.1. If a Life Planner is found to be a bankrupt, the Life Planner's contract will be terminated with immediate effect.
- 5.1.2. The Life Planner is allowed to return to the Company upon complete settlement of his/her debts by providing a copy of Letter of Clearance from Jabatan Insolvency Malaysia as certification.
- 5.1.3. Requests for delay in termination or appeals will **NOT** be granted.
- 5.1.4. The rules of assignment of orphan policies apply for policies that are serviced by the terminated Life Planner.

6. Non-Fulfillment of Continuous Professional Development (CPD) and Registered Financial Planner (RFP)

Applicable to : All Ranks

6.1. Rules

- 6.1.1. Agency members (leaders & life planners) who fail to fulfil training requirements within the stipulated timeframe will be subjected to termination.
- 6.1.2. Terminated leaders / life planners may be reinstated with the condition that they fulfil balance of the outstanding CPD hours by the end of the calendar year of reinstatement.
- 6.1.3. The rules of assignment of orphan policies apply for policies that are serviced by the terminated Life Planner.

Other Administration

6.0. OTHER ADMINISTRATION

6.1. LIFE PLANNER MOVEMENT / TRANSFER

**This term is inclusive of agency leaders.*

Applicable to : All Life Planners and agency leaders of Agency Distribution Channel (Conventional Life and Takaful).

1. Existing Life Planner with Valid Contract

1.1. Rules

- 1.1.1. Transfers of Life Planner or Leader to another agency are **NOT** allowed.

2. Reinstated Life Planner within 12 Months from Date of Termination

2.1. Rules

- 2.1.1. Terminated Life Planner may reinstate their contract within the same agency prior to termination.
- 2.1.2. Maximum reinstatement is twice per life time.
- 2.1.3. Terminated Life Planners who opt for reinstatement are seen as existing Life Planners and not new Life Planners.
- 2.1.4. Reinstated Life Planners (meeting MOC) can be counted as manpower for leaders' appointment to higher rank and maintenance of contract (MOC).
- 2.1.5. The Company has the right to verify the authenticity of the leaders' signature before approving of the transfer. Any discrepancy in the leaders' original signature and the one in the transfer form may render the application null and void.
- 2.1.6. All outstanding balances derived from under the old Life Planner code must be settled before transferring to another unit.
- 2.1.7. Reinstated Life Planner cannot claim back his old block of business that had been assigned. All request must be reinforced with the following:
 - a) Application for Policy Servicing Rights form
 - b) Consent Letter from policyholder

3. Rejoined Life Planner from 13th to 24th Month onwards from Termination Date

3.1. Rules

- 3.1.1. Life Planner will be assigned with a new code after a waiting period of 12 months but is subjected to the Company's approval.
- 3.1.2. Life Planners must declare their past appointment history, if any, at the time of new Life Planner application submission. Should there be any dispute arising from this thereafter, the said Life Planner would be subjected to termination.
- 3.1.3. Life Planner that rejoined within 5 years from the point of termination, will not be counted as New Quality Life Planner.
- 3.1.4. Life Planner that rejoined after 5 years or more from the point of termination, will be recognized as New Life Planner.
- 3.1.5. The rejoined Life Planner will be given a new code, therefore, neither production transfers nor compensation and benefit transfers are allowed from the previous code to the new one.
- 3.1.6. All outstanding balances derived from under the previous Life Planner code must be settled before transferring to another agency or unit.
- 3.1.7. Rejoined Life Planner cannot claim back his old block of business that had been assigned. Transfer of old block of business is allowed. All request must be reinforced with the following:
 - a) Application for Policy Servicing Rights form
 - b) Consent Letter from policyholder

4. Persistency Rate (D1)

4.1. Rules

- 4.1.1. Writing agent is responsible for persistency of the policies.

6.2. TRANSFER OF POLICY SERVICING RIGHTS

Applicable to : Policies that are lapsed, orphan policies or complains from policyholder only.

1. Requirements

- 1.1. All requests for transfer of servicing rights must be reinforced with the following:
 - 1.1.1. Application for Policy Servicing Rights form
 - 1.1.2. Consent Letter from policyholder
 - 1.1.3. Release Letter from the immediate up line UM/DM (orphan or lapse more than 90 days cases does not require approval from immediate up line UM/DM).
- 1.2. Reasons for transfer must be supported with solid proof to ensure its validity where only limited reasons are permitted such as the following:
 - 1.2.1. Lapsed exceeding 90 days
 - 1.2.2. Orphan policies
 - 1.2.3. Policyholder complaint due to misrepresentation with proof after investigation

2. Rules

- 2.1. Any reasons for transfer not contained within the list above or incomplete forms will **NOT** be entertained.
- 2.2. Only written requests will be accepted.
- 2.3. Leaders (UM and/or DM) of both the accepting and releasing party must be aware of the transfer and indicate their approval by signing on the transfer form as proof for the Company's reference.
- 2.4. The Company has the right to verify the authenticity of the releasing agent, leaders' and policyholders' signature before approving of the transfer. Any discrepancy in any of the signatures may be cause for the rejection of this application.
- 2.5. Upon acceptance of the change in policy servicing rights, a notification letter will be sent to the policyholder to alert them of their new servicing agent.
- 2.6. The policyholder has the right to appoint any Life Planner as their servicing agent even when the request has been rejected by the Company **BUT** the commission will be paid to the servicing agent according to the Company's system. The preferred agent will **NOT** be receiving any commission for the service rendered.
- 2.7. The Company has the right to intervene should there be any disagreements or conflicts between the policy holder and the servicing agent.
- 2.8. Writing agent is responsible for persistency of the policies.

6.3. ASSIGNMENT OF ORPHAN POLICIES

Applicable to : Cases serviced by terminated Life Planners.

1. Rules

- 1.1. Personal business from terminated Life Planner / Unit Manager / District Manager will be uploaded to AIA Life Planner Portal (ALPP) for policy assignment effective within 24 hours from the termination date.
- 1.2. The up line manager are required to perform policy assignment in ALPP within 30 calendar days.
- 1.3. The up line manager can assign the policies to themselves or to a new servicing Life Planner.
- 1.4. Upon exceeding the 30 calendar days, any unassigned policies and its commission will be rolled-up to Company Direct.
- 1.5. The up line manager can request to reclaim the policies and reassign the policies to themselves or the new servicing Life Planner, however the consent of the policyholder in written is required.
- 1.6. Leaders would need to transfer these orphan policies to the new servicing agent in their unit within 30 calendar days from the date of termination.
- 1.7. Once the policies have been assigned to another Life Planner of the leader's choice, a letter will be issued to notify the policyholder of their new servicing agent.
- 1.8. The new servicing agent should visit the policyholder to get acquainted immediately.
- 1.9. Writing agent is responsible for persistency of the policies.
- 1.10. Please refer to Compensation – General Provisions on treatment and handling of the compensation.

The background of the slide is a light gray color. In the top right corner, there is a large, dark blue triangular shape. This shape is composed of several smaller, overlapping triangles of varying shades of blue, creating a layered, geometric effect. The word "COMPENSATION" is centered in the lower half of the slide.

COMPENSATION

General Provision

1.0. GENERAL PROVISION

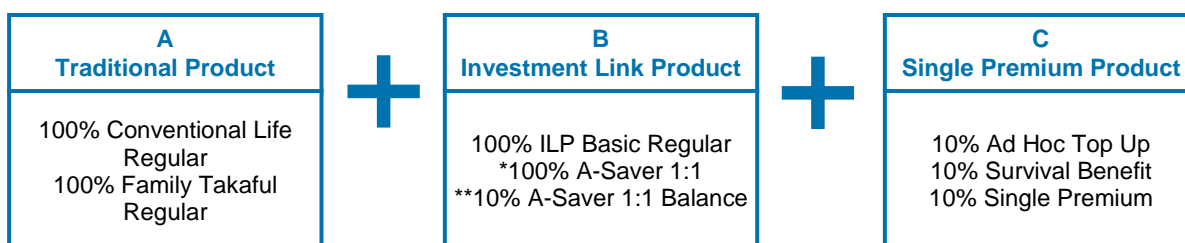
1. Total Life ANP

- 1.1. Annualized New Premium from Conventional Life (Traditional Life and Investment-linked) and Family Takaful captured and approved by 31st December of the calendar year.
- 1.2. The definition of ANP is as below:

Business includes	
Individual Life	Takaful
<ul style="list-style-type: none"> • 100% Life regular premium. • 100% Life regular premium with paying term less than 10 years (effective 1st December 2014). • 10% production credit of ILP single premium. No cap on single premium against qualifying requirements. • A-Saver / Regular top-up premium counted at RM 1 (Regular Premium) to RM 1 (A-Saver / Regular Top Up); and balance of A-Saver at 10% re-class. 	

- 1.3. Calculation of Life ANP:

$$\text{Life ANP} = A + B + C$$



*ILP A-Saver will be counted at 100% annualized premium but limited to one time of the Basic Premium per policy.

**The remaining balance of A-Saver after 100% capped with ILP Basic Premium.

- 1.4. Illustrations:

A-Saver and regular top-up / scheduled top-up

- Premiums are given 100% ANP credit (Max RM 1 of A-Saver = RM 1 regular Premium); subjected to the maximum limit of the Basic Regular Premium.
- Any balance of premium above the Basic Regular Premium amount will be given 10% production credit (re-class).

Example:

- Basic Regular Premium is RM 3,600 (monthly RM 300); A-Saver Premium attached is RM 6,000 (monthly RM 500).
- ANP credit:

Details	ANP Credit	
Basic Regular Premium	RM 3,600	100%
A-Saver Premium	RM 3,600	100%
Balance of A-Saver 10% re-class	RM 240	10%
Total Credit	RM 7,440	

- 1.5. Total Life ANP accorded for recognition and qualifying of:

- 1.5.1. UM / DM Direct Provident Fund
- 1.5.2. DM Indirect Provident Fund
- 1.5.3. Top Positioning & Recognition / President Club
- 1.5.4. Quality New Recruits

COMPENSATION

2. Qualification of benefits and payment

2.1. Qualification

2.1.1. Qualification of compensation benefits is based on Total Life ANP and/or cases submitted and captured by 31st December of the calendar year, wherever applicable, subject to the respective requirements as prescribed in the benefit items.

2.2. Payment

2.2.1. The actual amount of benefit payable is a percentage of actual collected First Year Regular Premium, 2nd Year Collected Regular Premium & 3rd Year Collected Regular Premium captured, approved and collected the latest by 31st December of the calendar year.

2.3. Yearly renewal term (YRT) and yearly reducing term premiums are **EXCLUDED** from ANP, FYP, case count and benefit payment, i.e. AHMi.

3. ANP All Lines or Total Production credit (TPC)

3.1. Total Production Credit (TPC) = Life ANP + non-Life ANP (max 30%) as defined below:

- Business includes Life, Family Takaful (FT), PA , CSD (GTL, GHS, GPA), Mortgage, Private Retirement Scheme
- The aggregated amount of the other line of business is capped at 30% (max)

Min 70% Contribution		Max 30% Contribution				
Individual Life	Takaful	PA	CSD (GTL, GHS, GPA)	Mortgage	Home / Commercial Business Unit	PRS
<ul style="list-style-type: none"> • 100% Life regular premium + 10% production credit of ILP single premium • 100% Life regular premium with premium paying term less than 10 years (effective 1st December 2014). • No cap on single premium against qualifying requirements. • A-Saver / Regular top-up counted at RM 1 (Regular Premium) to RM 1 (A-Saver/ Regular Top Up) and balance of A-Saver will be 10% re-class. • <u>Family Takaful only</u>: Survival Benefit Rider attached to A-Excel is counted at 10%. 		100% of ANP (Individual & Non Corporate Group) <i>*includes School PA</i>	New business ANP @ 100%	Production credit based on 1% of loan disbursed. Mortgage business capped at 10% of allowable non-life production	New Business ANP counted at 100% (Excludes motor insurance)	10% on actual contribution collected

3.2. TPC is accounted for recognition & qualifying criteria for:

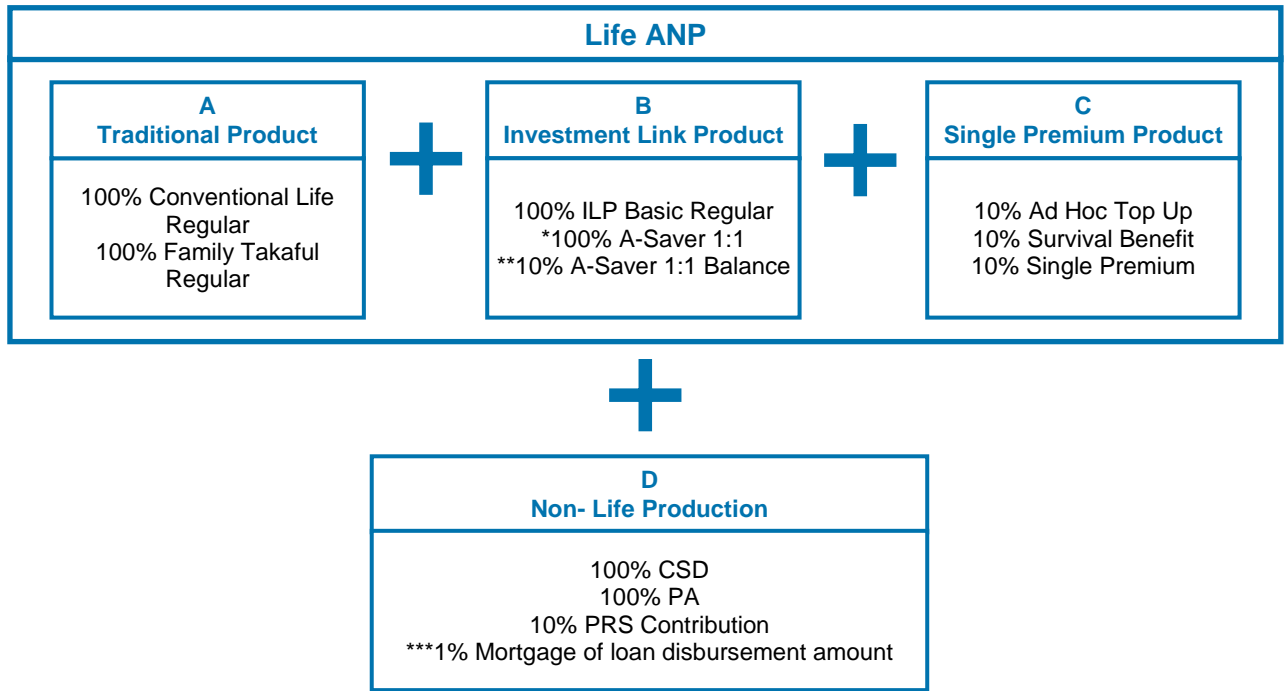
3.2.1. Overseas Seminars qualification

3.2.2. Appointment to Higher Rank Requirement

3.2.3. Maintenance of Contract

COMPENSATION

3.3. Calculation: Life ANP (A + B + C) + D



Note:

Allowable Non-life production credit = D, Non-life production @ Max 30%

*ILP A-Saver is 100% up to 1:1 of Basic Premium

**10% of the remaining ILP A-Saver

***1% of Mortgage loan disbursement amount is cap at 10% of the allowable non-life production credit.

3.4. Illustration:

Life ANP = RM 150K
 PA (Other business line) = RM 300K

Life ANP (Min 70%) 150 ANP	+	Other business lines (Max 30%) (150K / 7) x 3 = 64.3K	=	214.3K
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4. First Year Collected Premium (FYP)

- 4.1. Refers to first year regular premiums (1st – 12th month premium) picked-up / captured / approved and actually collected on Conventional and Takaful policies by 31st December of the calendar year and/or qualifying period.
- 4.2. Premium picked-up / captured / approved after 31st December of the calendar year will not be included.

5. 2nd and 3rd Year Collected Renewal Premiums (2nd Year RP & 3rd Year RP)

- 5.1. Refers to 2nd year (13th – 24th month premium) and 3rd year (25th – 36th month premium) renewal regular premiums actually collected on Conventional and Takaful policies by 31st December of the calendar year and/or qualifying period.
- 5.2. Premiums collected after 31st December of the calendar year will not be included.

6. Cases

- 6.1. Conventional and Takaful regular life annualized first year premium
- 6.2. Single premium and additional case count generated from the increase of premium in the calendar year.

Example:

- Life Planner sold two (2) Life regular premium cases, one (1) Takaful regular premium case, and one (1) Takaful single premium case.
- Total case count = 4 cases.

7. Rookie Unit Manager

7.1. Unit Manager who is within the 1st 12 months of unit manager appointment by 31st December of the calendar year.

Example:

- 1st year Rookie Unit Manager is appointed in 1st January 2018.
- 1st 12 months covers from 1st January 2018 till 31st December 2018.
- From 1st January 2019 onwards, he/she will no longer be considered as a Rookie Unit Manager.

8. Newly Direct Appointed Unit Manager and District Manager

8.1. New Unit Manager / District Manager who is contracted by 31st December with contract tenure up to maximum 24 months.

Y0 = Contract Year, i.e. contract date till 31st December of 1st calendar year

Y1 = 2nd Full Calendar Year; i.e. from 1st January till 31st December of the 2nd calendar year

Example:

- New leader is contracted in August 2018
- Contract Year (Y0) is from August 2018 till December 2018
- 2nd Full Calendar Year (Y1) is from January 2019 till December 2019.

9. Life Planner

9.1. Equivalent to "Agent" as per Bank Negara Malaysia's (BNM) definition.

10. Quality Life Planner (QLP)

10.1. Existing Life Planner who fulfills total current year life ANP of RM 30K by 31st December in any one year with 85% persistency.

11. New Life Planner (NLP)

11.1. New Life Planner who is contracted by 31st December with contract tenure up to maximum 24 months.

Y0 = Contract Year, i.e. contract date till 31st December of 1st calendar year

Y1 = 2nd Full Calendar Year; i.e. from 1st January till 31st December of the 2nd calendar year

Example:

- New Life Planner is contracted in August 2018
- Contract Year (Y0) is from August 2018 till December 2018
- 2nd Full Calendar Year (Y1) is from January 2019 till December 2019.

12. New Quality Life Planner (NQLP)

New Life Planner who fulfills total current year life ANP of RM 30K by 31st December in any one year with 85% persistency.

13. Production Category

13.1. Personal ANP

Personal business of Life Planner / Unit Manager / District Manager.

13.2. Direct Team ANP

Personal business of Unit Manager / District Manager; includes personal business of Life Planner under their direct care.

13.3. District ANP

Personal business of District Manager; includes personal business of the DM's down line UM and personal business of Life Planner under the DM's direct care.

14. Persistency

14.1. Persistency is used as one of the qualifying criteria for compensation, convention and MOC.

14.2. Persistency can be measured on

14.2.1. Personal Persistency

a) Evaluation based on personal business

14.2.2. Direct Team Persistency

a) Evaluation based on direct unit effort.

b) Applicable to Unit Manager / District Manager, measuring Unit Manager / District Manager personal business as well as direct reporting Life Planners personal business.

14.2.3. District Persistency

a) Evaluation based on group effort.

b) Applicable to District Manager, measuring District Manager personal business + District Manager direct Life Planners' personal business + down line Unit Manager personal business + Unit Manager direct Life Planners' personal business.

15. Persistency Definition (Duration)

15.1. One (1) block of duration, i.e. Calendar year.

15.2. Persistency includes personal, direct team and group.

15.3. Persistency as one of the qualifying criteria for compensation / convention / MOC.

15.3.1. Duration: Calendar Year (1st January YYYY to 31st December YYYY)

15.3.2. Evaluation: 31st December of the calendar year for Year0, Year1 and Year2.

15.3.3. Persistency ratio (%) calculated is used for evaluating benefits, incentives, recognition, maintenance of contract & convention.

16. Persistency Definition (by Premium)

16.1. D1 Persistency (Year 1) = $B1/A1$ where;

A1 = Total annualized premium of new policies sold in last calendar year.

B1 = Total annualized premium in respect of policies included in A1 above where full first year (first 12 months) premium has been paid before the persistency run.

16.2. D2 Persistency (Year 2) = $B2/A2$ where;

A2 = Total annualized premium of new policies sold in last two (2) calendar years.

B2 = Total annualized premium in respect of policies included in A2 above where full second year (first 24 months) premium has been paid before the persistency run.

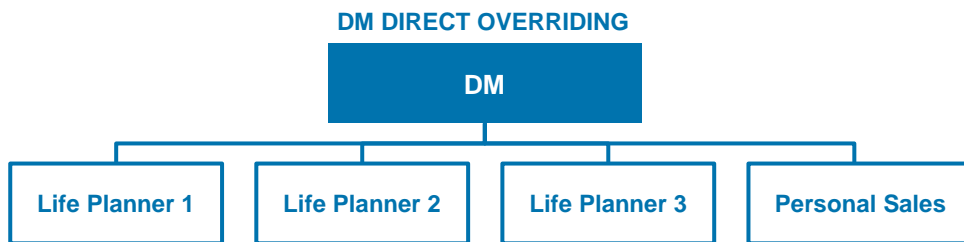
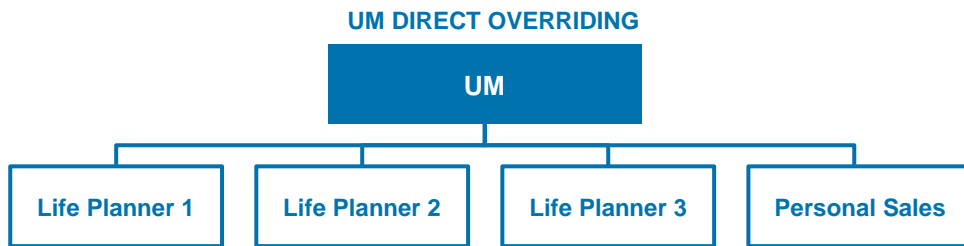
16.3. Current Year Persistency (Year 0, i.e. less than or equal 12 months) = $B0/A0$ where;

A0 = Total annualized premium of new policies sold within same calendar year.

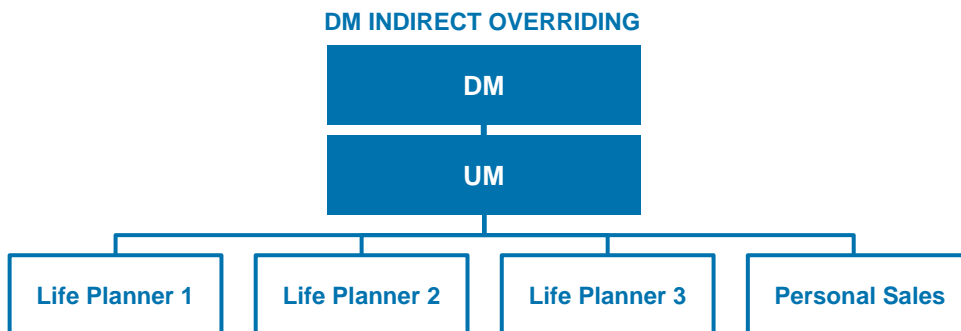
B0 = Total annualized premium in respect of policies included in A0 above where the premium from policies commencement / captured has been fully paid (up to date premium) before the persistency run (premium paid is less than or equals to 12 months)

17. Commissions

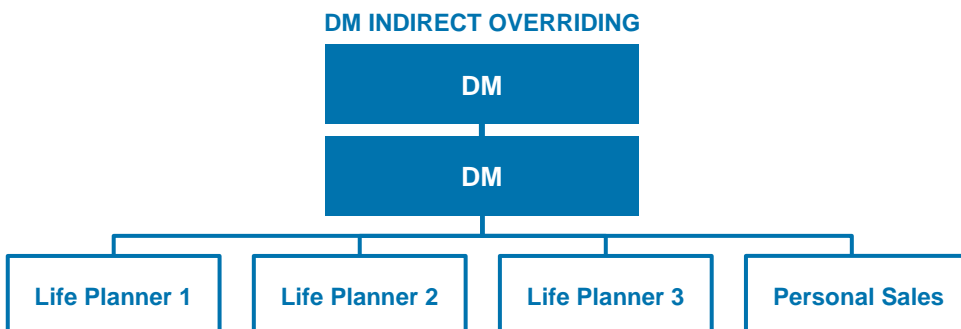
- 17.1. Commission rate varies according to premium paying term. For policy with premium paying term of 20 years or more, maximum commission is payable; Whereas, for policy with premium paying term less than 20 years, the commission rate is pro-rated. Please refer to commission schedules for details.
- 17.2. Commissions are calculated once premiums are paid and captured, including loading; and will be credited to Life Planner's commission account, including commissions from business collected up to the date of contract validity; after mid-month and month end.
- 17.3. New Business commission is calculated as per modal premium captured.
- 17.4. Renewal commission is calculated as per premium paid; and commission is payable for policy under reinstatement, automatic premium loan (APL).
- 17.5. Commission will be debited to Life Planner account if premium paid to date is reversed due to cancellation of policy and/or replacement of policy.
- 17.6. For ILP product, no commission will be paid for policy under premium holiday.
- 17.7. Unit Manager / District Manager Direct Overriding based on collected premium of UM / DM's Unit Production.



- 17.8. District Manager's Indirect Overriding is based on collected premiums of District Manager's down line Unit Manager's Unit Production.



- 17.9. District Manager's Parallel Overriding is based on collected premiums of down line District Manager's Unit Production.



18. Treatment of Agent Commission:

18.1. Termination of Life Planner / Unit Manager / District Manager without vesting rights

- 18.1.1. Personal business from terminated Life Planner / Unit Manager / District Manager will be uploaded to AIA Life Planner Portal (ALPP) for policy assignment effective within 24 hours from the termination date.
- 18.1.2. The up line manager are required to perform policy assignment in ALPP within 30 calendar days.
- 18.1.3. If the up line manager decides to assign the policies to themselves; they will received the fixed commission in full and BSC Bonus payout will follow their respective BSC Score, from the effective date of the policy assignment.
- 18.1.4. If the up line manager decides to assign the policies to a new servicing Life Planner; the new servicing Life Planner will received the fixed commission in full and BSC Bonus payout will follow the new servicing Life Planner's BSC Score, from the effective date of the policy assignment.
- 18.1.5. Upon exceeding the 30 calendar days, any unassigned policies and its commission will be rolled-up to Company Direct.
 - a) The up line manager can request to reclaim the policies and reassign them to either themselves or the new servicing Life Planner, however the consent of the policyholder in written is required.
 - b) Once the reassignment is performed, the payment of commission will be paid accordingly from the effective date of the policy assignment.
 - c) Any commission or BSC Bonus between the periods from date of termination till effective date of policy assignment, will not be paid to the assigned up line manager or the new servicing Life Planner.

18.2. Termination with vesting rights

- 18.2.1. Commissions on personal production shall be paid on Conventional Life and Takaful business premiums from the 1st through to the 6th policy year. Non-life premiums are not included. Vesting right shall be applicable to Life Planners and leaders:
 - a) Who have attained age 55 with min. 10 years of continuous service prior to contract termination.
 - b) With min. 20 years of continuous service irrespective of age prior to contract termination.
 - c) Termination is not due to cause.
 - d) Who do not conduct any Life insurance and Takaful business for other companies after contract termination.
 - e) Who are not conducting business under proxy after contract termination.

18.2.2. Terminated agents with vesting rights who are reinstated within 12 months from date of termination will continue to retain such rights.

18.3. Appointment to higher rank

18.3.1. Life Planner / Assistance Unit Manager (AUM) appointed to Unit Manager (UM)

Old Block of Business (Before appointment to higher rank)	New Block of Business (After appointment to higher rank)
<ul style="list-style-type: none"> • The newly appointed UM will continue to receive full commission on personal sales. 	<ul style="list-style-type: none"> • The newly appointed UM will receive full commission on personal sales.

18.3.2. Unit Manager (UM) appointed to District Manager (DM)

Old Block of Business (Before appointment to higher rank)	New Block of Business (After appointment to higher rank)
<ul style="list-style-type: none"> • The newly appointed DM will continue to receive full commission on personal sales. 	<ul style="list-style-type: none"> • The newly appointed DM will receive full commission on personal sales.

18.4. Downgrade to lower rank

18.4.1. Unit Manager (UM) downgraded to Life Planner / Assistance Unit Manager (AUM)

Old Block of Business (Before downgrade to lower rank)	New Block of Business (After downgrade to lower rank)
<ul style="list-style-type: none"> • The newly downgraded UM will continue to receive full commission on personal sales. 	<ul style="list-style-type: none"> • The newly downgraded UM will receive full commission on personal sales.

18.4.2. District Manager (DM) downgraded to Unit Manager (UM)

Old Block of Business (Before downgrade to lower rank)	New Block of Business (After downgrade to lower rank)
<ul style="list-style-type: none"> • The newly downgraded DM will continue to receive full commission on personal sales. 	<ul style="list-style-type: none"> • The newly downgraded DM will receive full commission on personal sales.

COMPENSATION

18.5. Decease / Death

18.5.1. Commission from policies sold by the deceased Life Planners will be payable to the Beneficiary of the deceased Life Planner. No future LPPF will be credited. The policies can be assigned to a new servicing Life Planner but commission will not be transferred.

19. Treatment of Overriding:

19.1. Termination of down line writing / servicing Life Planner

19.1.1. Direct and indirect, wherever applicable, will be payable to the up line manager in full.

19.2. Termination of Unit Manager / District Manager

19.2.1. Direct and indirect, wherever applicable, will be re-directed to the up line manager in full.

19.3. Appointment to higher rank

19.3.1. Life Planner / Assistance Unit Manager (AUM) appointed to Unit Manager (UM)

Old Block of Business (Before appointment to higher rank)	New Block of Business (After appointment to higher rank)
<ul style="list-style-type: none"> The original immediate up line manager will continue to receive UM direct overriding The up line / mother DM of original immediate up line manager will continue to receive indirect overriding 	<ul style="list-style-type: none"> The newly appointed UM will receive UM direct overriding The up line DM will receive indirect overriding

19.3.2. Unit Manager (UM) appointed to District Manager (DM)

Old Block of Business (Before appointment to higher rank)	New Block of Business (After appointment to higher rank)
<ul style="list-style-type: none"> The newly appointed DM will continue to receive UM direct overriding The up line / mother DM of original immediate up line manager will continue to receive indirect overriding 	<ul style="list-style-type: none"> The newly appointed DM will receive DM direct and indirect overriding

19.4. Downgrade to lower rank

19.4.1. Unit Manager (UM) downgraded to Life Planner / Assistant Unit Manager (AUM)

Old Block of Business (Before downgrade to lower rank)	New Block of Business (After downgrade to lower rank)
<ul style="list-style-type: none"> The newly downgraded UM will continue to receive UM direct overriding The up line DM will continue to receive indirect overriding 	<ul style="list-style-type: none"> The immediate up line manager will receive UM direct overriding The up line DM will receive DM direct and indirect overriding

19.4.2. District Manager (DM) downgraded to Unit Manager (UM)

Old Block of Business (Before downgrade to lower rank)	New Block of Business (After downgrade to lower rank)
<ul style="list-style-type: none"> The newly downgraded DM will continue to receive DM direct and indirect overriding The up line DM will continue to receive indirect overriding 	<ul style="list-style-type: none"> The newly downgraded UM will receive UM direct overriding The up line DM will receive DM indirect overriding

19.4.3. Downgraded Life Planner / Assistant Unit Manager (AUM) reinstated to Unit Manager (UM)

Old Block of Business (Before reinstatement to former rank)	New Block of Business (After reinstatement to former rank)
<ul style="list-style-type: none"> The immediate up line manager will continue to receive UM direct overriding The up line DM will continue to receive DM direct and indirect overriding 	<ul style="list-style-type: none"> The newly reinstated UM will receive UM direct overriding The up line DM will receive DM indirect overriding

COMPENSATION

19.4.4. Downgraded Unit Manager (UM) reinstated to District Manager (DM)

Old Block of Business (Before reinstatement to former rank)	New Block of Business (After reinstatement to former rank)
<ul style="list-style-type: none">• The newly reinstated UM will continue to receive UM direct overriding• The up line DM will continue to receive DM indirect overriding	<ul style="list-style-type: none">• The newly reinstated UM will receive UM direct and indirect overriding

20. Writing Life Planner is responsible for persistency of the policies.

21. Licenses to Receive Commission, Overriding & Bonus

21.1. Life Planners / Leaders must hold the relevant Conventional Life, Investment-Linked, Family Takaful, General Insurance and Private Retirement Scheme licenses in order to be entitled to receive commission, overriding and bonus.

22. Debit Balances

22.1. For in force Life Planner / Leader with debit balances in the commission account, commission payable will offset any debit balances registered before net payment is released. If the debit balances are still outstanding, RM 50 will be transferred to his/her leader every 3 months for recovery.

23. Final Credit Balances of Commissions & Overriding

23.1. Commission and overriding will be paid until the last payment cycle prior to termination date.

24. Sharing of Cases

24.1. Effective 1st January 2018, policy on sharing of cases will cease.

24.2. For cases that are shared prior to 1st January 2018 will follow the treatment as indicated in the previous version of handbook.

Balance Score Card (BSC)

COMPENSATION

2.0. BALANCED SCORE CARD (BSC)

Applicable to : All Life Planners and agency leaders of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

2.1. REQUIREMENTS

KPI	Weightage*** (%)	Score				
		Downside		Normal	Upside	
		50%	75%	100%	125%	150%
KPI 1*: AFYP or Number of Cases (Current Year Achievement)	30	-	37.5K	50K	70K	90K
		OR				
		-	-	12 pa	24 pa	36 pa
KPI 2: CFF Option 1 or 2 (Current Year Achievement)	15	10%	15%	20%	25%	30%
KPI 3a: D1 Persistency (Prior Year Achievement)	15	-	85.00%	90.00%	92.50%	95.00%
KPI 3b: D2 Persistency (Prior Year Achievement)	15	-	75.00%	80.00%	85.00%	90.00%
KPI 4: Number of Complaints* (Current Year Achievement)	10	-	-	0	-	-
KPI 5**: Training & CPD (Prior Year Achievement)	15	-	-	Met	-	-

*Requirements are based on higher score achieved either based on AFYP or Number of Cases.

**Mandatory 5 hours CPD + Non-Mandatory 25 hours CPD.

***Weightage is fixed percentages according to each KPIs.

1. Rules

1.1. Effective 1st January 2018:

- 1.1.1. New business policies (including new riders) with Risk Commencement Date (RCD) from 1st January 2018 will be subjected to Balanced Scorecard (BSC) Compensation.
- 1.1.2. Renewal of policies with Risk Commencement Date (RCD) prior to 1st January 2018 will be subjected to Single License Compensation.

1.2. In reference to the Balanced Scorecard (BSC)

- 1.2.1. Each KPI will have its own requirements and Total KPI (TKPI) Score.
- 1.2.2. The Total BSC (TBSC) Score is the sum total of all the TKPI Score.
- 1.2.3. The formula for TBSC Score is:

$$\text{Total BSC Score} = \text{TKPI Score of KPI 1} + \text{TKPI Score of KPI 2} + \text{TKPI Score of KPI 3a} + \text{TKPI Score of KPI 3b} + \text{TKPI Score of KPI 4} + \text{TKPI Score of KPI 5}$$

1.3. New Life Planner (NLP) / Direct Appointed Unit Manager (DAUM) / Direct Appointed District Manager (DADM)

1.3.1. Treatment of BSC Dashboard

- a) BSC Dashboard will calculate and reflect the actual scoring which will be refreshed daily.
- b) KPIs that are not available, will be defaulted to 100% score.

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1.3.2. Treatment of BSC Bonus Payment

- a) Based on Total BSC (TBSC) Score of 100% by default for up to **24 months** (Y0 & Y1) from the contracted year, regardless if higher or lower than 100% score is achieved.
- b) On the 3rd year (Y2), the BSC Bonus will be paid according to the actual BSC score as calculated from the BSC Dashboard.

Example:

- New Life Planner is contracted in August 2018;
- Contract Year (Y0) is from August 2018 till December 2018
- 2nd Full Calendar Year (Y1) is from January 2019 till December 2019.
- He/she will qualify for BSC Bonus based on Total BSC Score of 100% until December 2019.
- From January 2020 onwards, he/she will qualify for BSC Bonus based on actual score from BSC Dashboard.

- c) BSC Bonus payment is by quarterly basis.
- d) Qualifier's contract must be valid at the time of payment computation.

1.4. Rejoined Life Planner

1.4.1. Treatment of BSC Dashboard

- a) BSC Dashboard will calculate and reflect the actual scoring which will be refreshed daily.
- b) KPIs that are not available, will be defaulted to 100% score.

1.4.2. Treatment of BSC Bonus Payment

- a) Based on Total BSC Score of 100% by default up to **12 months** (Y0) from the rejoined year, regardless if higher or lower than 100% score is achieved.
- b) On the 2nd year (Y1), the BSC Bonus will be paid according to the actual BSC score as calculated from the BSC Dashboard.

Example:

- Life Planner have rejoined in August 2018;
- Rejoined Year (Y0) is from August 2018 till December 2018
- He/she will qualify for BSC Bonus based on Total BSC Score of 100% until December 2018.
- From January 2019 onwards, he/she will qualify for BSC Bonus based on actual score from BSC Dashboard.

- c) BSC Bonus payment is by quarterly basis.
- d) Qualifier's contract must be valid at the time of payment computation.

1.5. Please refer to Compensation – General Provision section for details on the definition, calculations and illustrations.

2. Definition

2.1. KPI 1: Number of Cases or AFYP

2.1.1. Based on current year achievement.

2.1.2. Either AFYP or Number of Cases that have the highest score achieved will be counted for scorecard computation.

2.1.3. Annualized First Year Premium (AFYP) only includes Life and Takaful policies in the current year with RCD from 1st January 2018 onwards, but excludes:

- a) Regular and Schedule / Ad-Hoc top-ups (e.g. A-Plus Saver)
- b) Single Premium policies
- c) Yearly Renewable products (e.g. AHM)

2.1.4. Illustration:

Based on KPI 1	Example 1	Example 2	Example 3
Year	2018	2019	2020
Total AFYP Production (RM)	50K	65K	90K
Total Number of Cases	11	24	36
Qualified Criteria	AFYP	Number of Cases	AFYP or Number of Cases
BSC Score for KPI 1	100%	125%	150%

2.2. KPI 2: CFF Option 1 or 2

2.2.1. Based on current year achievement.

2.2.2. Refers to the same group and number of policies as evaluated for KPI 1.

2.2.3. Customer Fact Find (CFF) calculation only includes Life and Takaful policies captured in the current year that have selected either Option 1 or 2, but excludes:

- a) Regular and Schedule / Ad-Hoc top-ups (e.g. A-Plus Saver)
- b) Single Premium policies
- c) Yearly Renewable products (e.g. AHM)

2.2.4. In the event, the calculated percentage have decimals:

- a) ≥ 0.5 will be rounded up to the nearest integer percentage and;
- b) < 0.5 will be rounded down to the nearest integer percentage.

Example:

- 29.50% will be rounded to 30% and 29.49% will be rounded to 29%

2.2.5. Formula:

Total policies captured with CFF Option 1 or 2 divided by total captured Life and Takaful policies **multiply** by 100%

$$\text{Total CFF Percentage} = \left(\frac{\text{Total Policies Captured with CFF Option 1 or 2}}{\text{Total Captured Life and Takaful Policies}} \right) \times 100\%$$

2.2.6. Illustration:

Based on KPI 2	Example 1	Example 2	Example 3
Year	2018	2019	2020
Total Captured Life and Takaful Policies	11	24	36
Total CFF Under Option 1 or 2	2	6	11
Qualified Percentage	$2 / 11 = 18.18\%$ (round near)	$6 / 24 = 25\%$	$11 / 36 = 30.55\%$ (round up)
	18%	25%	31%
BSC Score for KPI 2	75%	125%	150%

2.3. KPI 3a: D1 Persistency & KPI 3b: D2 Persistency

2.3.1. Based on prior year achievement.

2.3.2. Persistency is counted from January to December on previous year achievements.

2.3.3. Actual requirement percentages with 2 decimal taken into account.

Example:

- If the requirement as stated is 90%, therefore 89.99% considered not qualified.

2.3.4. Illustration:

Based on KPI 3a & 3b	Example 1	Example 2	Example 3
Year	2018	2019	2020
D1 Persistency	Based on 2016 business block (Jan'16 to Dec'16)	Based on 2017 business block (Jan'17 to Dec'17)	Based on 2018 business block (Jan'18 to Dec'18)
	90.00%	92.50%	95.00%
D2 Persistency	Based on 2015 business block (Jan'15 to Dec'15)	Based on 2016 business block (Jan'16 to Dec'16)	Based on 2017 business block (Jan'17 to Dec'17)
	74.99%	83.00%	92.00%
BSC Score for KPI 3a	100%	125%	150%
BSC Score for KPI 3b	0%	100%	150%

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2.4. KPI 4: Number of Complaints

- 2.4.1. Based on current year achievement.
- 2.4.2. Will be reset to 100% score by default at beginning of each calendar year i.e.1st January.
- 2.4.3. In the event, if any official complaint which resulted to disciplinary action that are concluded through the Market Conduct Committee (MCC), the score will be counted as zero.
- 2.4.4. Impact on the BSC scorecard will follow the effective date of the complaint is concluded.
- 2.4.5. Illustration:

Based on KPI 4	Example 1	Example 2	Example 3
Year	2018	2019	2020
BSC Score for KPI 4 at 1 st January	By 1 st January 2018 100%	By 1 st January 2019 100%	By 1 st January 2019 100%
Complaints Concluded By MCC	Complaints investigated with conclusion dated on 20 th November 2017	Complaints investigated with <u>no</u> conclusion between Jan'19 to Dec'19	Complaints investigated with conclusion dated on 10 th February 2020
	No impact	No impact	Have impact
BSC Score for KPI 4	100%	100%	0%

2.5. KPI 5: Training & CPD

- 2.5.1. Based on prior year achievement.
- 2.5.2. Based meeting the mandatory 5 CPD hours **AND** non-mandatory 25 CPD hours (equivalent to 30 CPD hours) within the current year.
- 2.5.3. Mandatory five (5) hours CPD are:
- Based on approved list of trainings that are approved by BNM and/or company.
 - Not transferable or replaceable with other trainings' CPD at any given time unless permitted by BNM and/or company.
 - Must be accredited with full attendance recorded in LMS, completion of the full training and passed the examinations, where applicable.

2.5.4. Illustration:

Based on KPI 5	Example 1	Example 2	Example 3
BSC Year	2018	2019	2020
Total Completed Training & CPD	Mandatory = 5 hours Non-mandatory = 25 hours	Mandatory = 4 hours Non-mandatory = 30 hours	Mandatory = 8 hours Non-mandatory = 35 hours
	Meet requirements	Not meeting requirements	Meet requirements
BSC Score for KPI 5	100%	0%	100%

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3. Illustration and Calculations:

3.1. Example 1:

Example 1					
KPI	Weightage (%)	Score			
		Actual Achievements	Individual Score	Score Calculation	Total KPI Score
KPI 1: AFYP / Number of Cases (Current Year Achievement)	30	50K 11 cases	100%	$30\% \times 100\% = 30\%$	30.00%
KPI 2: CFF Option 1 or 2 (Current Year Achievement)	15	18%	75%	$15\% \times 75\% = 11.25\%$	11.25%
KPI 3a: D1 Persistency (Prior Year Achievement)	15	90.00%	100%	$15\% \times 100\% = 15\%$	15.00%
KPI 3b: D2 Persistency (Prior Year Achievement)	15	74.99%	0%	$15\% \times 0\% = 0\%$	0.00%
KPI 4: Number of Complaints* (Current Year Achievement)	10	Zero complaints	100%	$10\% \times 100\% = 10\%$	10.00%
KPI 5: Training & CPD (Prior Year Achievement)	15	Met	100%	$15\% \times 100\% = 15\%$	15.00%
Total BSC Score	100				81.25%

The Total BSC (TBSC) Score for the above example is 81.25% for the individual Life Planner.

3.2. Example 2:

Example 2					
KPI	Weightage (%)	Score			
		Actual Achievements	Individual Score	Score Calculation	Total KPI Score
KPI 1: AFYP / Number of Cases (Current Year Achievement)	30	65K 24 cases	125%	$30\% \times 125\% = 37.5\%$	37.50%
KPI 2: CFF Option 1 or 2 (Current Year Achievement)	15	25%	125%	$15\% \times 125\% = 18.75\%$	18.75%
KPI 3a: D1 Persistency (Prior Year Achievement)	15	92.50%	125%	$15\% \times 125\% = 18.75\%$	18.75%
KPI 3b: D2 Persistency (Prior Year Achievement)	15	83.00%	100%	$15\% \times 100\% = 15\%$	15.00%
KPI 4: Number of Complaints* (Current Year Achievement)	10	Zero complaints	100%	$10\% \times 100\% = 10\%$	10.00%
KPI 5: Training & CPD (Prior Year Achievement)	15	Not met	0%	$15\% \times 0\% = 0\%$	0.00%
Total BSC Score	100				100.00%

The Total BSC (TBSC) Score for the above example is 100% for the individual Life Planner.

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3.3. Example 3:

Example 3					
KPI	Weightage (%)	Score			
		Actual Achievements	Individual Score	Score Calculation	Total KPI Score
KPI 1: AFYP / Number of Cases (Current Year Achievement)	30	90K 36 cases	150%	$30\% \times 150\% = 45\%$	45.00%
KPI 2: CFF Option 1 or 2 (Current Year Achievement)	15	30%	150%	$15\% \times 150\% = 22.50\%$	22.50%
KPI 3a: D1 Persistency (Prior Year Achievement)	15	95.00%	150%	$15\% \times 150\% = 22.50\%$	22.50%
KPI 3b: D2 Persistency (Prior Year Achievement)	15	92.00%	150%	$15\% \times 150\% = 22.50\%$	22.50%
KPI 4: Number of Complaints* (Current Year Achievement)	10	Have one (1) complaint concluded by MCC	0%	$10\% \times 0\% = 0\%$	0.00%
KPI 5: Training & CPD (Prior Year Achievement)	15	Not met	0%	$15\% \times 0\% = 0\%$	0.00%
Total BSC Score	100				112.50%

The Total BSC (TBSC) Score for the above example is 112.5% for the individual Life Planner.

3.4. Example 4:

Example 4					
KPI	Weightage (%)	Score			
		Actual Achievements	Individual Score	Score Calculation	Total KPI Score
KPI 1: AFYP / Number of Cases (Current Year Achievement)	30	90K 36 cases	150%	$30\% \times 150\% = 45\%$	45.00%
KPI 2: CFF Option 1 or 2 (Current Year Achievement)	15	30%	150%	$15\% \times 150\% = 22.50\%$	22.50%
KPI 3a: D1 Persistency (Prior Year Achievement)	15	95.00%	150%	$15\% \times 150\% = 22.50\%$	22.50%
KPI 3b: D2 Persistency (Prior Year Achievement)	15	92.00%	150%	$15\% \times 150\% = 22.50\%$	22.50%
KPI 4: Number of Complaints* (Current Year Achievement)	10	Zero complaints	100%	$10\% \times 100\% = 10\%$	10.00%
KPI 5: Training & CPD (Prior Year Achievement)	15	Met	100%	$15\% \times 100\% = 15\%$	15.00%
Total BSC Score	100				137.50%

The Total BSC (TBSC) Score for the above example is 137.5% (maximum) for the individual Life Planner.

Life Planner Category

3.0. LIFE PLANNER CATEGORY

3.1. LIFE PLANNER COMMISSION & BSC BONUS

Eligibility : Agency members of all ranks in Agency Distribution Channel (Conventional Life and Takaful) with active contract.

Qualifying Period : Calendar year

3.1.1. Traditional Life Premium – Agent Fixed Commission

Policy Paying Term (Years)	Agent Fixed Commission (% of Premium) at Policy Year					
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
20 & Above	27.50	16.00	15.00	15.00	10.00	10.00
19	26.12	15.20	14.25	14.25	9.50	9.50
18	24.75	14.40	13.50	13.50	9.00	9.00
17	23.37	13.60	12.75	12.75	8.50	8.50
16	22.00	12.80	12.00	12.00	8.00	8.00
15	20.62	12.00	11.25	11.25	7.50	7.50
14	19.25	11.20	10.50	10.50	7.00	7.00
13	17.87	10.40	9.75	9.75	6.50	6.50
12	16.50	9.60	9.00	9.00	6.00	6.00
11	15.12	8.80	8.25	8.25	5.50	5.50
10	13.75	8.00	7.50	7.50	5.00	5.00
9	12.37	7.20	6.75	6.75	4.50	4.50
8	11.00	6.40	6.00	6.00	4.00	4.00
7	9.62	6.10	4.75	5.25	3.50	3.50
6	8.25	4.80	4.50	4.50	3.00	3.00
5	8.25	4.62	4.00	4.00	2.50	-
4	7.50	4.20	3.50	3.50	-	-
3	7.50	3.77	2.75	-	-	-
2	7.50	1.85	-	-	-	-
Yearly Renewal Term Premium (YRT): For every renewal year	7.00	-	-	-	-	-

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3.1.2. Traditional Life Premium – Agent BSC Bonus (TBSC Score = 100%)

The Agent BSC Bonus rate is based on your Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific Life Planner, one should take the rates in the table below multiplied by the individual's TBSC Score.

Policy Paying Term (Years)	Agent BSC Bonus (% of Premium) at Policy Year (Based on TBSC of 100%)		
	Year 1	Year 2	Year 3
20 & Above	12.50	14.00	5.00
19	11.87	13.30	4.75
18	11.25	12.60	4.50
17	10.62	11.90	4.25
16	10.00	11.20	4.00
15	9.37	10.50	3.75
14	8.75	9.80	3.50
13	8.12	9.10	3.25
12	7.50	8.40	3.00
11	6.87	7.70	2.75
10	6.25	7.00	2.50
9	5.62	6.30	2.25
8	5.00	5.60	2.00
7	4.37	4.90	1.75
6	3.75	4.20	1.50
5	3.12	3.50	1.25
4	2.50	2.80	1.00
3	1.87	2.10	0.75
2	1.50	1.65	-

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3.1.3. Traditional Life Premium – Agent BSC Bonus (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	Agent BSC Bonus (% of Premium) at Policy Year (Based on TBSC of 137.5%)		
	Year 1	Year 2	Year 3
20 & Above	17.18	19.25	6.87
19	16.32	18.28	6.53
18	15.46	17.32	6.18
17	14.60	16.36	5.84
16	13.75	15.40	5.50
15	12.88	14.43	5.15
14	12.03	13.47	4.81
13	11.16	12.51	4.46
12	10.31	11.55	4.12
11	9.44	10.58	3.78
10	8.59	9.62	3.43
9	7.72	8.66	3.09
8	6.87	7.70	2.75
7	6.00	6.73	2.40
6	5.15	5.77	2.06
5	4.29	4.81	1.71
4	3.43	3.85	1.37
3	2.57	2.88	1.03
2	2.06	2.26	-

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3.1.4. Investment-Linked Regular Premium – Agent Fixed Commission

Term of Premium Payment	Agent Fixed Commission (% of Premium) at Policy Year					
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
20 & Above	15.00	10.00	15.00	18.00	15.00	15.00
19	14.25	9.50	14.25	17.10	14.25	14.25
18	13.50	9.00	13.50	16.20	13.50	13.50
17	12.75	8.50	12.75	15.30	12.75	12.75
16	12.00	8.00	12.00	14.40	12.00	12.00
15	11.25	7.50	11.25	13.50	11.25	11.25
14	10.50	7.00	10.50	12.60	10.50	10.50
13	9.75	6.50	9.75	11.70	9.75	9.75
12	9.00	6.00	9.00	10.80	9.00	9.00
11	8.25	5.50	8.25	9.90	8.25	8.25
10	7.50	5.00	7.50	9.00	7.50	7.50
9	6.75	4.50	6.75	8.10	6.75	6.75
8	6.00	4.00	6.00	7.20	6.00	6.00
7	5.25	4.00	4.75	6.30	5.25	5.25
6	5.00	4.00	4.50	4.50	4.40	4.00
5	5.00	4.00	4.50	4.50	4.00	-
4	5.00	4.00	4.30	4.30	-	-
3	5.00	4.00	4.20	-	-	-
2	5.00	3.80	-	-	-	-

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3.1.5. Investment-Linked Regular Premium – Agent BSC Bonus (TBSC Score = 100%)

The Agent BSC Bonus rate is based on your Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific Life Planner, one should take the rates in the table below multiplied by the individual's TBSC Score.

Policy Paying Term (Years)	Agent BSC Bonus (% of Premium) at Policy Year (Based on TBSC of 100%)		
	Year 1	Year 2	Year 3
20 & Above	10.00	15.00	4.00
19	9.50	14.25	3.80
18	9.00	13.50	3.60
17	8.50	12.75	3.40
16	8.00	12.00	3.20
15	7.50	11.25	3.00
14	7.00	10.50	2.80
13	6.50	9.75	2.60
12	6.00	9.00	2.40
11	5.50	8.25	2.20
10	5.00	7.50	2.00
9	4.50	6.75	1.80
8	4.00	6.00	1.60
7	3.50	5.25	1.40
6	3.00	4.50	1.20
5	2.50	3.75	1.00
4	2.00	3.00	0.80
3	1.50	2.25	0.60
2	1.20	1.70	-

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3.1.6. Investment-Linked Regular Premium – Agent BSC Bonus (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	Agent BSC Bonus (% of Premium) at Policy Year (Based on TBSC of 137.5%)		
	Year 1	Year 2	Year 3
20 & Above	13.75	20.62	5.50
19	13.06	19.59	5.22
18	12.37	18.56	4.95
17	11.68	17.53	4.67
16	11.00	16.50	4.40
15	10.31	15.46	4.12
14	9.62	14.43	3.85
13	8.93	13.40	3.57
12	8.25	12.37	3.30
11	7.56	11.34	3.02
10	6.87	10.31	2.75
9	6.18	9.28	2.47
8	5.50	8.25	2.20
7	4.81	7.21	1.92
6	4.12	6.18	1.65
5	3.43	5.15	1.37
4	2.75	4.12	1.10
3	2.06	3.09	0.82
2	1.65	2.33	-

3.1.7. Investment-Linked Premium: Single Premium, Top-up Premium (Scheduled / Ad-Hoc), A-Plus Saver, & Survival Benefit – Life Planner Fixed Commission

Policy Paying Term	Agent Commission (% of Premium) at Policy Year
Every Top-up	3.00

3.2. BSC BONUS CALCULATION

1. Formula for one (1) policy:

Total collected premiums (first year / renewal) **multiply** by BSC Bonus Rate and, **multiply** by Total BSC Score.

$$\text{Total BSC Bonus} = \text{Total Collected Premiums} \times \text{Total BSC Score} \times \text{BSC Bonus Rate}$$

1.1. Agent BSC Bonus

Applicable to : Agency members of all ranks with Personal Sales in Agency Distribution Channel (Conventional Life and Takaful) with active contract.

1.1.1. Total Collected Premium refers to collected First Year Premium (FYP) or Renewal Premium (RP) of the **individual Life Planner**.

1.1.2. Total BSC Score refers to the total score of the **individual Life Planner**.

1.1.3. BSC Bonus Rate refers to the BSC bonus rate table of the **individual Life Planner** under the Life Planner Category for Personal Sales.

Example:

- A Life Planner / Leader have 600K collected FYP for one (1) Traditional Life policy with 20 year paying policy paying term, and have accumulated Total BSC Score of 100%.
- First Year Premium (FYP) = 600K
- Total BSC Score = 100%
- BSC Bonus Rate will be referring to the “Traditional Life Premium – Agent BSC Bonus” table under 20 years policy paying term, where Year 1 = 12.5%, Year 2 = 14%, and Year 3 = 5%

1.2. Manager BSC Bonus

Applicable to : Unit Manager (UM) and District Manager (DM) in Agency Distribution Channel (Conventional Life and Takaful) with active contract.

1.2.1. Calculation will be based on every individual Life Planner’s Total BSC Score, where it is calculated separately

1.2.2. **NOT** calculated based on the average or total sum of the score of all the direct or indirect team of the leader.

1.2.3. Total Collected Premium refers to collected First Year Premium (FYP) or Renewal Premium (RP) of the Life Planner under the **direct or indirect team** of the leader.

1.2.4. Total BSC Score refers to the total score of the Life Planner under the **direct or indirect team** of the leader.

1.2.5. BSC Bonus Rate refers to the BSC bonus rate table of the **individual leader** under Leader Category for Direct Team Sales or District Group Sales.

Example:

- A Life Planner under the direct team of a Unit Manager have 800K collected FYP for one (1) Traditional Life policy with 20 year paying policy paying term, and have accumulated Total BSC Score of 100%.
- First Year Premium (FYP) = 800K
- Total BSC Score = 100%
- BSC Bonus Rate will be referring to the “Traditional Life Premium – Unit Manager BSC Bonus Direct Overriding” table under 20 years policy paying term, where Year 1 = 3%, Year 2 = 3.5%, and Year 3 = 1%

2. Agent BSC Bonus

2.1. Illustration 1

Scenario: All requirements fulfilled based on one (1) Traditional Life policy and 100% score for 3 years.

Agent BSC Bonus						
Year	2018		2019		2020	
Policy Paying Term	20 years		20 years		20 years	
Total BSC Score	100%		100%		100%	
BSC Bonus Rate	12.5%, 14%, 5%		12.5%, 14%, 5%		12.5%, 14%, 5%	
FYP	280K	280K x 100% x 12.5% = 35K	470K	470K x 100% x 12.5% = 58.75K	175K	175K x 100% x 12.5% = 21.88K
2 nd year RP			260K	260K x 100% x 14% = 36.4K	460K	460K x 100% x 14% = 64.4K
3 rd year RP					250K	250K x 100% x 5% = 12.5K
Total Agent BSC Bonus (RM)		35K		95.15K		98.78K

COMPENSATION

2.2. Illustration 2

Scenario: All requirements fulfilled based on one (1) Traditional Life policy and with different scores for each year

Agent BSC Bonus						
Year	2018		2019		2020	
Policy Paying Term	20 years		20 years		20 years	
Total BSC Score	81.25%		100%		112.5%	
BSC Bonus Rate	12.5%, 14%, 5%		12.5%, 14%, 5%		12.5%, 14%, 5%	
FYP	280K	$280K \times 81.25\% \times 12.5\% = 28.44K$	470K	$470K \times 100\% \times 12.5\% = 58.75K$	470K	$470K \times 112.5\% \times 12.5\% = 66.09K$
2 nd year RP			260K	$260K \times 100\% \times 14\% = 36.4K$	460K	$460K \times 112.5\% \times 14\% = 72.45K$
3 rd year RP					250K	$250K \times 112.5\% \times 5\% = 14.06K$
Total Agent BSC Bonus (RM)		28.44K		95.15K		152.6K

2.3. Illustration 3

Scenario: All requirements fulfilled based on one (1) Traditional Life policy and with different policy paying terms for each year.

Agent BSC Bonus						
Year	2018		2019		2020	
Policy Paying Term	20 years		15 years		10 years	
Total BSC Score	81.25%		100%		112.5%	
BSC Bonus Rate	12.5%, 14%, 5%		9.37%, 10.5%, 3.75%		6.25%, 7%, 2.5%	
FYP	280K	$280K \times 81.25\% \times 12.5\% = 28.44K$	470K	$470K \times 100\% \times 9.37\% = 44.04K$	470K	$470K \times 112.5\% \times 6.25\% = 33.05K$
2 nd year RP			260K	$260K \times 100\% \times 14\% = 36.4K$	460K	$460K \times 112.5\% \times 10.5\% = 54.34K$
3 rd year RP					250K	$250K \times 112.5\% \times 5\% = 14.06K$
Total Agent BSC Bonus (RM)		28.44K		80.44K		101.45K

3. Leader BSC Bonus

3.1. Illustration 1

Scenario: All requirements fulfilled based on one (1) **direct** Life Planner with one (1) Traditional Life policy and 100% score for 3 years.

Leader BSC Bonus						
Year	2018		2019		2020	
Policy Paying Term	20 years		20 years		20 years	
Total BSC Score	100%		100%		100%	
BSC Bonus Rate	12.5%, 14%, 5%		12.5%, 14%, 5%		12.5%, 14%, 5%	
FYP	280K	$280K \times 100\% \times 12.5\% = 35K$	470K	$470K \times 100\% \times 12.5\% = 58.75K$	175K	$175K \times 100\% \times 12.5\% = 21.88K$
2 nd year RP			260K	$260K \times 100\% \times 14\% = 36.4K$	460K	$460K \times 100\% \times 14\% = 64.4K$
3 rd year RP					250K	$250K \times 100\% \times 5\% = 12.5K$
Total Leader BSC Bonus (RM)		35K		95.15K		98.78K

3.3. LIFE PLANNER PROVIDENT FUND (LPPF)

Eligibility : Agency members of all ranks in Agency Distribution Channel (Conventional Life and Takaful) with active contract.

Qualifying Period : Calendar year

1. Requirements

Life Planner Provident Fund (% x Year 7 to 20 Renewal Collected Regular Premium)
1% of 7th to 20th year of collected renewal regular premium with minimum 10 years payment term
Note: 1) Persistency Ratio is not required.

2. Rules

2.1. Please refer to Compensation – General Provision section for details on the definition, calculations and illustrations.

3.4. NEW UM START UP BONUS

Eligibility : Assistant Unit Manager (AUM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

Qualifying Period : Calendar year

1. Requirements

New UM Start Up Bonus	
Requirement	Cash Reward
AUM who is promoted to UM within 24 months from AUM appointment date	5% on AUM's down line LP's / AUM's total FYP up to 24 months prior to UM appointment (excludes AUM own, spouse's, children's and parents' personal production)

2. Rules

2.1. The Assistant Unit Manager (AUM) will entitled to New UM Start Up Bonus:

2.1.1. If the AUM is appointed to Unit Manager within 24 months from the AUM appointment date, **AND**;

2.1.2. If the AUM who is appointed to UM for the 1st time.

2.2. Reappointed AUM will not be eligible to participate in New UM Start Up Bonus.

2.3. UM appointed directly from Life Planner will not be eligible to participate in New UM Start Up Bonus.

2.4. For AUM who is appointed in mid-year, i.e. July 2018 will get an additional 6 months to be appointed to UM. The AUM must ensure appointment to Unit Manager the latest by January 2021 to be eligible for New UM Start Up Bonus.

2.5. The bonus is based on FYP captured up to the past 24 months maximum, calculated from UM appointment backwards to the period of AUM appointment.

Example:

- An AUM is appointed in July 2018.
- Deadline to be appointed to UM is by 1st January 2021.
- Any UM appointment after this deadline will not be eligible for New UM Start up Bonus.

AUM appointment	UM appointment	FYP for bonus calculation
1 st July 2018	1 st January 2019	1 st July 2018 – 31 st December 2018 (6 months)
1 st July 2018	1 st January 2020	1 st July 2018 – 31 st December 2019 (18 months)
1 st July 2018	1 st January 2021	1 st January 2019 – 31 st December 2020 (24 months max)
1 st July 2018	1 st January 2022	Not eligible for bonus

COMPENSATION

Example 1: AUM appointment = 1 st July 2018 UM appointment = 1 st January 2019								
2018		2019		2020		2021		2022
Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun
	← AUM	← UM						
	New UM Start Up Bonus 5% x FYP Jul'18 – Dec'18 (6 months)							

Example 2: AUM appointment = 1 st July 2018 UM appointment = 1 st January 2020								
2018		2019		2020		2021		2022
Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun
	← AUM			← UM				
	New UM Start Up Bonus 5% x FYP Jul'18 – Dec'19 (18 months)							

Example 3: AUM appointment = 1 st July 2018 UM appointment = 1 st January 2021								
2018		2019		2020		2021		2022
Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun
	← AUM					← UM		
	FYP in this period not counted for bonus	New UM Start Up Bonus 5% x FYP Jan'19 – Dec'20 (24 months max)						

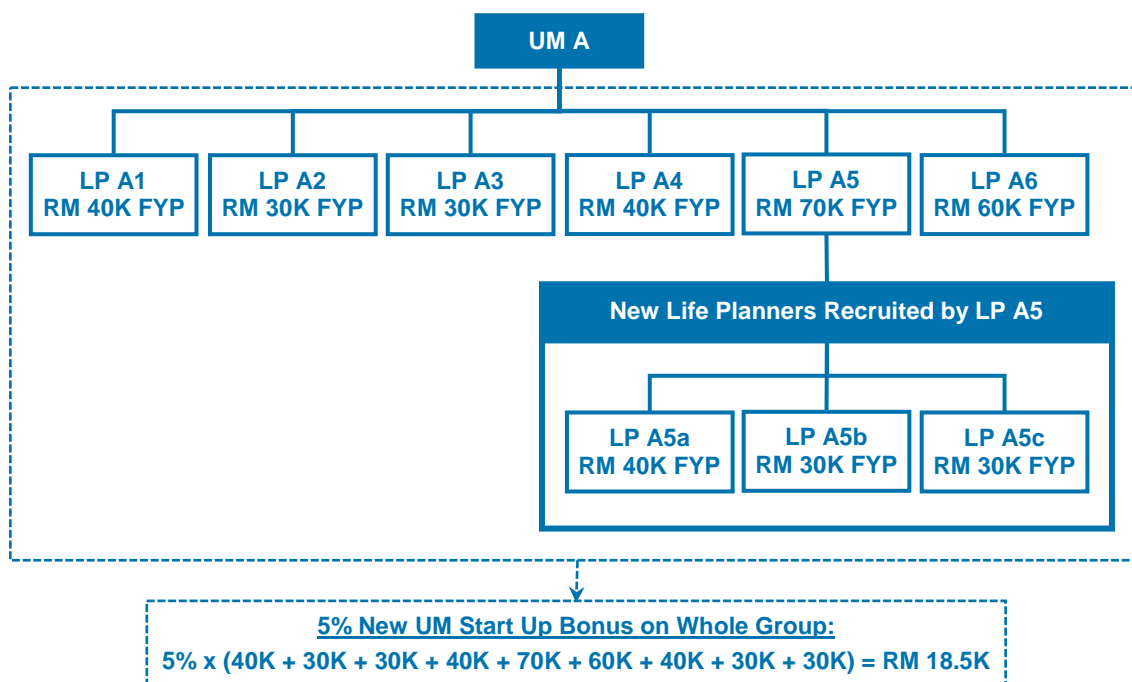
Example 4: AUM appointment = 1 st July 2018 UM appointment = 1 st January 2022								
2018		2019		2020		2021		2022
Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun
	← AUM							← UM
Promotion to UM from 1 st January 2022 and onwards, is not eligible for New UM Start Up Bonus								

2.6. Production counted for payment:

- 2.6.1. Production from Life Planner that is placed under the new Unit Manager's code.
- 2.6.2. Excludes AUM own, spouse's, children's and parents' personal production.

2.7. Illustration:

New Life Planner Recruited by the AUM (Direct or Indirect)



2.8. Payment

- 2.8.1. Upon confirmation of Unit Manager's appointment after the year end calendar closing.
- 2.8.2. Qualifier's contract must be valid at the time of payment computation.

2.9. Claw back

- 2.9.1. In the event production dropped below requirement due to cancellation for whatsoever reason(s) by December; the entire payment amount or the over payment amount paid at a higher category earlier, if any, will be clawed back.

2.10. Please refer to Compensation – General Provision section for details on the definition, calculations and illustrations.

Leader Category



4.1

Direct Team Sales

4.0. LEADER CATEGORY

4.1. DIRECT TEAM SALES

Eligibility : Unit Manager (UM) and District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts

Qualifying Period : Calendar year

4.1.1. Traditional Life Premium – Unit Manager Fixed Direct Overriding

Policy Paying Term (Years)	UM Fixed Direct Overriding (% of Premium) at Policy Year			
	Year 1	Year 2	Year 3	Year 4
20 & above	12.00	4.50	3.00	3.00
19	11.40	4.27	2.85	2.85
18	10.80	4.05	2.70	2.70
17	10.20	3.82	2.55	2.55
16	9.60	3.60	2.40	2.40
15	9.00	3.37	2.25	2.25
14	8.40	3.15	2.10	2.10
13	7.80	2.92	1.95	1.95
12	7.20	2.70	1.80	1.80
11	6.60	2.47	1.65	1.65
10	6.00	2.25	1.50	1.50
9	5.40	2.02	1.35	1.35
8	4.80	1.80	1.20	1.20
7	4.20	1.57	1.05	1.05
6	3.60	1.35	0.90	0.90
5	3.00	1.12	0.75	0.75
4	2.40	0.90	0.60	0.60
3	2.10	0.80	0.47	-
2	1.60	0.65	-	-
Single Premium	2.00	-	-	-
Yearly Renewal Term Premium (YRT): For every renewal year	2.00	-	-	-

COMPENSATION

4.1.2. Traditional Life Premium – Unit Manager BSC Bonus Direct Overriding (TBSC Score = 100%)

The UM BSC Bonus rate is based on the UM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific UM, one should take the rates in the table below multiplied by the UM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	UM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)		
	Year 1	Year 2	Year 3
20 & Above	3.00	3.50	1.00
19	2.85	3.32	0.95
18	2.70	3.15	0.90
17	2.55	2.97	0.85
16	2.40	2.80	0.80
15	2.25	2.62	0.75
14	2.10	2.45	0.70
13	1.95	2.27	0.65
12	1.80	2.10	0.60
11	1.65	1.92	0.55
10	1.50	1.75	0.50
9	1.35	1.57	0.45
8	1.20	1.40	0.40
7	1.05	1.22	0.35
6	0.90	1.05	0.30
5	0.75	0.87	0.25
4	0.60	0.70	0.20
3	0.45	0.52	0.15
2	0.35	0.40	-

COMPENSATION

4.1.3. Traditional Life Premium – Unit Manager BSC Bonus Direct Overriding (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	UM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)		
	Year 1	Year 2	Year 3
20 & Above	4.12	4.81	1.37
19	3.91	4.56	1.30
18	3.71	4.33	1.23
17	3.50	4.08	1.16
16	3.30	3.85	1.10
15	3.09	3.60	1.03
14	2.88	3.36	0.96
13	2.68	3.12	0.89
12	2.47	2.88	0.82
11	2.26	2.64	0.75
10	2.06	2.40	0.68
9	1.85	2.15	0.61
8	1.65	1.92	0.55
7	1.44	1.67	0.48
6	1.23	1.44	0.41
5	1.03	1.19	0.34
4	0.82	0.96	0.27
3	0.61	0.71	0.20
2	0.48	0.55	-

COMPENSATION

4.1.4. Investment-Linked Regular Premium – Unit Manager Fixed Direct Overriding

Policy Paying Term (Years)	UM Fixed Direct Overriding (% of Premium) at Policy Year			
	Year 1	Year 2	Year 3	Year 4
20 & above	5.00	8.50	3.00	5.00
19	4.75	8.07	2.85	4.75
18	4.50	7.65	2.70	4.50
17	4.25	7.22	2.55	4.25
16	4.00	6.80	2.40	4.00
15	3.75	6.37	2.25	3.75
14	3.50	5.95	2.10	3.50
13	3.25	5.52	1.95	3.25
12	3.00	5.10	1.80	3.00
11	2.75	4.67	1.65	2.75
10	2.50	4.25	1.50	2.50
9	2.25	3.82	1.35	2.25
8	2.00	3.40	1.20	2.00
7	1.75	2.97	1.05	1.75
6	1.50	2.55	0.90	1.50
5	1.25	2.12	0.75	1.25
4	1.00	1.70	0.60	1.00
3	1.00	1.60	0.62	-
2	1.00	1.15	-	-

COMPENSATION

4.1.5. Investment-Linked Regular Premium – Unit Manager BSC Bonus Direct Overriding (TBSC Score = 100%)

The UM BSC Bonus rate is based on the UM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific UM, one should take the rates in the table below multiplied by the UM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	UM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)		
	Year 1	Year 2	Year 3
20 & Above	4.00	2.00	1.50
19	3.80	1.90	1.42
18	3.60	1.80	1.35
17	3.40	1.70	1.27
16	3.20	1.60	1.20
15	3.00	1.50	1.12
14	2.80	1.40	1.05
13	2.60	1.30	0.97
12	2.40	1.20	0.90
11	2.20	1.10	0.82
10	2.00	1.00	0.75
9	1.80	0.90	0.67
8	1.60	0.80	0.60
7	1.40	0.70	0.52
6	1.20	0.60	0.45
5	1.00	0.50	0.37
4	0.80	0.40	0.30
3	0.60	0.30	0.22
2	0.50	0.25	-

COMPENSATION

4.1.6. Investment-Linked Regular Premium – Unit Manager BSC Bonus Direct Overriding (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	UM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)		
	Year 1	Year 2	Year 3
20 & Above	5.50	2.75	2.06
19	5.22	2.61	1.95
18	4.95	2.47	1.85
17	4.67	2.33	1.74
16	4.40	2.20	1.65
15	4.12	2.06	1.54
14	3.85	1.92	1.44
13	3.57	1.78	1.33
12	3.30	1.65	1.23
11	3.02	1.51	1.12
10	2.75	1.37	1.03
9	2.47	1.23	0.92
8	2.20	1.10	0.82
7	1.92	0.96	0.71
6	1.65	0.82	0.61
5	1.37	0.68	0.50
4	1.10	0.55	0.41
3	0.82	0.41	0.30
2	0.68	0.34	-

4.1.7. Investment-Linked Premium: Single Premium, Top-up Premium (Scheduled / Ad-Hoc), A-Plus Saver, & Survival Benefit – Unit Manager Fixed Direct Overriding

Policy Paying Term (Years)	UM Fixed Direct Overriding (% of Premium) at Policy Year
Every Top-up	0.50

COMPENSATION

4.1.8. Traditional Life Premium – District Manager Fixed Direct Overriding

Policy Paying Term (Years)	DM Fixed Direct Overriding (% of Premium) at Policy Year			
	Year 1	Year 2	Year 3	Year 4
20 & above	20.00	5.50	4.00	5.00
19	19.00	5.22	3.80	4.75
18	18.00	4.95	3.60	4.50
17	17.00	4.67	3.40	4.25
16	16.00	4.40	3.20	4.00
15	15.00	4.12	3.00	3.75
14	14.00	3.85	2.80	3.50
13	13.00	3.57	2.60	3.25
12	12.00	3.30	2.40	3.00
11	11.00	3.02	2.20	2.75
10	10.00	2.75	2.00	2.50
9	9.00	2.47	1.80	2.25
8	8.00	2.20	1.60	2.00
7	7.00	1.92	1.40	1.75
6	6.00	1.65	1.20	1.50
5	5.00	1.37	1.00	1.25
4	4.00	1.10	0.80	1.00
3	3.60	0.95	0.62	-
2	2.70	0.75	-	-
Yearly Renewal Term Premium (YRT): For every renewal year	3.00	-	-	-

COMPENSATION

4.1.9. Traditional Life Premium – District Manager BSC Bonus Direct Overriding (Gen.1, 2 & 3) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	2.50	4.50	2.00	-	4.50	2.00	-	4.50	2.00
19	2.38	4.27	1.90	-	4.27	1.90	-	4.27	1.90
18	2.25	4.05	1.80	-	4.05	1.80	-	4.05	1.80
17	2.13	3.82	1.70	-	3.82	1.70	-	3.82	1.70
16	2.00	3.60	1.60	-	3.60	1.60	-	3.60	1.60
15	1.88	3.37	1.50	-	3.37	1.50	-	3.37	1.50
14	1.75	3.15	1.40	-	3.15	1.40	-	3.15	1.40
13	1.63	2.92	1.30	-	2.92	1.30	-	2.92	1.30
12	1.50	2.70	1.20	-	2.70	1.20	-	2.70	1.20
11	1.38	2.47	1.10	-	2.47	1.10	-	2.47	1.10
10	1.25	2.25	1.00	-	2.25	1.00	-	2.25	1.00
9	1.13	2.02	0.90	-	2.02	0.90	-	2.02	0.90
8	1.00	1.80	0.80	-	1.80	0.80	-	1.80	0.80
7	0.88	1.57	0.70	-	1.57	0.70	-	1.57	0.70
6	0.75	1.35	0.60	-	1.35	0.60	-	1.35	0.60
5	0.63	1.12	0.50	-	1.12	0.50	-	1.12	0.50
4	0.50	0.90	0.40	-	0.90	0.40	-	0.90	0.40
3	0.38	0.67	0.30	-	0.67	0.30	-	0.67	0.30
2	0.35	0.55	-	-	0.55	-	-	0.55	-

COMPENSATION

4.1.10. Traditional Life Premium – District Manager BSC Bonus Direct Overriding (Gen.1, 2 & 3) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	3.43	6.18	2.75	-	6.18	2.75	-	6.18	2.75
19	3.27	5.87	2.61	-	5.87	2.61	-	5.87	2.61
18	3.09	5.56	2.47	-	5.56	2.47	-	5.56	2.47
17	2.92	5.25	2.33	-	5.25	2.33	-	5.25	2.33
16	2.75	4.95	2.20	-	4.95	2.20	-	4.95	2.20
15	2.58	4.63	2.06	-	4.63	2.06	-	4.63	2.06
14	2.40	4.33	1.92	-	4.33	1.92	-	4.33	1.92
13	2.24	4.01	1.78	-	4.01	1.78	-	4.01	1.78
12	2.06	3.71	1.65	-	3.71	1.65	-	3.71	1.65
11	1.89	3.39	1.51	-	3.39	1.51	-	3.39	1.51
10	1.71	3.09	1.37	-	3.09	1.37	-	3.09	1.37
9	1.55	2.77	1.23	-	2.77	1.23	-	2.77	1.23
8	1.37	2.47	1.10	-	2.47	1.10	-	2.47	1.10
7	1.21	2.15	0.96	-	2.15	0.96	-	2.15	0.96
6	1.03	1.85	0.82	-	1.85	0.82	-	1.85	0.82
5	0.86	1.54	0.68	-	1.54	0.68	-	1.54	0.68
4	0.68	1.23	0.55	-	1.23	0.55	-	1.23	0.55
3	0.52	0.92	0.41	-	0.92	0.41	-	0.92	0.41
2	0.48	0.75	-	-	0.75	-	-	0.75	-

COMPENSATION

4.1.11. Traditional Life Premium – District Manager BSC Bonus Direct Overriding (Gen. 4 & 5) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	5.00	4.50	2.00	3.00	4.50	2.00
19	4.75	4.27	1.90	2.85	4.27	1.90
18	4.50	4.05	1.80	2.70	4.05	1.80
17	4.25	3.82	1.70	2.55	3.82	1.70
16	4.00	3.60	1.60	2.40	3.60	1.60
15	3.75	3.37	1.50	2.25	3.37	1.50
14	3.50	3.15	1.40	2.10	3.15	1.40
13	3.25	2.92	1.30	1.95	2.92	1.30
12	3.00	2.70	1.20	1.80	2.70	1.20
11	2.75	2.47	1.10	1.65	2.47	1.10
10	2.50	2.25	1.00	1.50	2.25	1.00
9	2.25	2.02	0.90	1.35	2.02	0.90
8	2.00	1.80	0.80	1.20	1.80	0.80
7	1.75	1.57	0.70	1.05	1.57	0.70
6	1.50	1.35	0.60	0.90	1.35	0.60
5	1.25	1.12	0.50	0.75	1.12	0.50
4	1.00	0.90	0.40	0.60	0.90	0.40
3	0.75	0.67	0.30	0.45	0.67	0.30
2	0.60	0.55	-	0.40	0.55	-

COMPENSATION

4.1.12. Traditional Life Premium – District Manager BSC Bonus Direct Overriding (Gen. 4 & 5) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	6.87	6.18	2.75	4.12	6.18	2.75
19	6.53	5.87	2.61	3.91	5.87	2.61
18	6.18	5.56	2.47	3.71	5.56	2.47
17	5.84	5.25	2.33	3.50	5.25	2.33
16	5.50	4.95	2.20	3.30	4.95	2.20
15	5.15	4.63	2.06	3.09	4.63	2.06
14	4.81	4.33	1.92	2.88	4.33	1.92
13	4.46	4.01	1.78	2.68	4.01	1.78
12	4.12	3.71	1.65	2.47	3.71	1.65
11	3.78	3.39	1.51	2.26	3.39	1.51
10	3.43	3.09	1.37	2.06	3.09	1.37
9	3.09	2.77	1.23	1.85	2.77	1.23
8	2.75	2.47	1.10	1.65	2.47	1.10
7	2.40	2.15	0.96	1.44	2.15	0.96
6	2.06	1.85	0.82	1.23	1.85	0.82
5	1.71	1.54	0.68	1.03	1.54	0.68
4	1.37	1.23	0.55	0.82	1.23	0.55
3	1.03	0.92	0.41	0.61	0.92	0.41
2	0.82	0.75	-	0.55	0.75	-

COMPENSATION

4.1.13. Investment-Linked Regular Premium – District Manager Fixed Direct Overriding

Policy Paying Term (Years)	DM Fixed Direct Overriding (% of Premium) at Policy Year			
	Year 1	Year 2	Year 3	Year 4
20 & above	9.00	12.00	4.00	7.00
19	8.55	11.39	3.80	6.65
18	8.10	10.80	3.60	6.30
17	7.65	10.19	3.40	5.95
16	7.20	9.60	3.20	5.60
15	6.75	8.99	3.00	5.25
14	6.30	8.40	2.80	4.90
13	5.85	7.79	2.60	4.55
12	5.40	7.20	2.40	4.20
11	4.95	6.59	2.20	3.85
10	4.50	6.00	2.00	3.50
9	4.05	5.39	1.80	3.15
8	3.60	4.80	1.60	2.80
7	3.15	4.19	1.40	2.45
6	2.70	3.60	1.20	2.10
5	2.25	2.99	1.00	1.75
4	1.80	2.40	0.80	1.40
3	1.80	2.20	0.79	-
2	1.80	1.40	-	-

COMPENSATION

4.1.14. Investment-Linked Regular Premium – District Manager BSC Bonus Direct Overriding (Gen 1, 2 & 3) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	3.70	3.00	2.00	3.70	0.70	2.00	3.70	0.70	2.00
19	3.52	2.85	1.90	3.52	0.67	1.90	3.52	0.67	1.90
18	3.33	2.70	1.80	3.33	0.63	1.80	3.33	0.63	1.80
17	3.15	2.55	1.70	3.15	0.60	1.70	3.15	0.60	1.70
16	2.96	2.40	1.60	2.96	0.56	1.60	2.96	0.56	1.60
15	2.78	2.25	1.50	2.78	0.53	1.50	2.78	0.53	1.50
14	2.59	2.10	1.40	2.59	0.49	1.40	2.59	0.49	1.40
13	2.41	1.95	1.30	2.41	0.46	1.30	2.41	0.46	1.30
12	2.22	1.80	1.20	2.22	0.42	1.20	2.22	0.42	1.20
11	2.04	1.65	1.10	2.04	0.39	1.10	2.04	0.39	1.10
10	1.85	1.50	1.00	1.85	0.35	1.00	1.85	0.35	1.00
9	1.67	1.35	0.90	1.67	0.32	0.90	1.67	0.32	0.90
8	1.48	1.20	0.80	1.48	0.28	0.80	1.48	0.28	0.80
7	1.30	1.05	0.70	1.30	0.25	0.70	1.30	0.25	0.70
6	1.11	0.90	0.60	1.11	0.21	0.60	1.11	0.21	0.60
5	0.93	0.75	0.50	0.93	0.18	0.50	0.93	0.18	0.50
4	0.74	0.60	0.40	0.74	0.14	0.40	0.74	0.14	0.40
3	0.56	0.45	0.30	0.56	0.11	0.30	0.56	0.11	0.30
2	0.47	0.40	-	0.47	0.17	-	0.47	0.17	-

COMPENSATION

4.1.15. Investment-Linked Regular Premium – District Manager BSC Bonus Direct Overriding (Gen 1, 2 & 3) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	5.08	4.12	2.75	5.08	0.96	2.75	5.08	0.96	2.75
19	4.84	3.91	2.61	4.84	0.92	2.61	4.84	0.92	2.61
18	4.57	3.71	2.47	4.57	0.86	2.47	4.57	0.86	2.47
17	4.33	3.50	2.33	4.33	0.82	2.33	4.33	0.82	2.33
16	4.07	3.30	2.20	4.07	0.77	2.20	4.07	0.77	2.20
15	3.82	3.09	2.06	3.82	0.72	2.06	3.82	0.72	2.06
14	3.56	2.88	1.92	3.56	0.67	1.92	3.56	0.67	1.92
13	3.31	2.68	1.78	3.31	0.63	1.78	3.31	0.63	1.78
12	3.05	2.47	1.65	3.05	0.57	1.65	3.05	0.57	1.65
11	2.80	2.26	1.51	2.80	0.53	1.51	2.80	0.53	1.51
10	2.54	2.06	1.37	2.54	0.48	1.37	2.54	0.48	1.37
9	2.29	1.85	1.23	2.29	0.44	1.23	2.29	0.44	1.23
8	2.03	1.65	1.10	2.03	0.38	1.10	2.03	0.38	1.10
7	1.78	1.44	0.96	1.78	0.34	0.96	1.78	0.34	0.96
6	1.52	1.23	0.82	1.52	0.28	0.82	1.52	0.28	0.82
5	1.27	1.03	0.68	1.27	0.24	0.68	1.27	0.24	0.68
4	1.01	0.82	0.55	1.01	0.19	0.55	1.01	0.19	0.55
3	0.77	0.61	0.41	0.77	0.15	0.41	0.77	0.15	0.41
2	0.64	0.55	-	0.64	0.23	-	0.64	0.23	-

COMPENSATION

4.1.16. Investment-Linked Regular Premium – District Manager BSC Bonus Direct Overriding (Gen. 4 & 5) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	6.00	3.00	2.00	4.00	3.00	2.00
19	5.70	2.85	1.90	3.80	2.85	1.90
18	5.40	2.70	1.80	3.60	2.70	1.80
17	5.10	2.55	1.70	3.40	2.55	1.70
16	4.80	2.40	1.60	3.20	2.40	1.60
15	4.50	2.25	1.50	3.00	2.25	1.50
14	4.20	2.10	1.40	2.80	2.10	1.40
13	3.90	1.95	1.30	2.60	1.95	1.30
12	3.60	1.80	1.20	2.40	1.80	1.20
11	3.30	1.65	1.10	2.20	1.65	1.10
10	3.00	1.50	1.00	2.00	1.50	1.00
9	2.70	1.35	0.90	1.80	1.35	0.90
8	2.40	1.20	0.80	1.60	1.20	0.80
7	2.10	1.05	0.70	1.40	1.05	0.70
6	1.80	0.90	0.60	1.20	0.90	0.60
5	1.50	0.75	0.50	1.00	0.75	0.50
4	1.20	0.60	0.40	0.80	0.60	0.40
3	0.90	0.45	0.30	0.60	0.45	0.30
2	0.70	0.40	-	0.50	0.40	-

COMPENSATION

4.1.17. Investment-Linked Regular Premium – District Manager BSC Bonus Direct Overriding (Gen. 4 & 5) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Direct Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	8.25	4.12	2.75	5.50	4.12	2.75
19	7.83	3.91	2.61	5.22	3.91	2.61
18	7.42	3.71	2.47	4.95	3.71	2.47
17	7.01	3.50	2.33	4.67	3.50	2.33
16	6.60	3.30	2.20	4.40	3.30	2.20
15	6.18	3.09	2.06	4.12	3.09	2.06
14	5.77	2.88	1.92	3.85	2.88	1.92
13	5.36	2.68	1.78	3.57	2.68	1.78
12	4.95	2.47	1.65	3.30	2.47	1.65
11	4.53	2.26	1.51	3.02	2.26	1.51
10	4.12	2.06	1.37	2.75	2.06	1.37
9	3.71	1.85	1.23	2.47	1.85	1.23
8	3.30	1.65	1.10	2.20	1.65	1.10
7	2.88	1.44	0.96	1.92	1.44	0.96
6	2.47	1.23	0.82	1.65	1.23	0.82
5	2.06	1.03	0.68	1.37	1.03	0.68
4	1.65	0.82	0.55	1.10	0.82	0.55
3	1.23	0.61	0.41	0.82	0.61	0.41
2	0.96	0.55	-	0.68	0.55	-

4.1.18. Investment-Linked Premium: Single Premium, Top-up Premium (Scheduled / Ad-Hoc), A-Plus Saver, & Survival Benefit – District Manager Fixed Direct Overriding

Policy Paying Term (Years)	DM Fixed Direct Overriding (% of Premium) at Policy Year
Every Top-up	0.75



4.2

**Manager Direct
Provident Fund
(MDPF)**

COMPENSATION

4.2. MANAGER DIRECT PROVIDENT FUND (MDPF)

Eligibility : Unit Manager (UM) and District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts

1. Requirements

Total Life ANP (Direct Team Life ANP only)	Min # of Manpower (QLP = Quality Life Planner <i>AND</i> NQLP = New Quality Life Planner)	Manager Direct Provident Fund (% x Year 2 Renewal Collected Regular Premium)
1M & Above*	4 QLP (incl. 2 NQLP)	2.0%
500K to < 1M*		1.5%
300K to < 500K*		1.0%
150K to < 300K	Not Required	0.5%

Note:

1) *If manpower requirement is not met, the MDPF will be 0.5%.

2. Rules

2.1. Manager direct provident fund

2.1.1. Reinstated Life Planner :

- a) Will be **INCLUDED** for Quality Life Planner count
- b) Will be **INCLUDED** for New Quality Life Planner count if within the NQLP definition

2.1.2. Rejoined Life Planner:

- a) Will be **INCLUDED** for Quality Life Planner count.
- b) Will be **EXCLUDED** for New Life Planner count regardless of how long they have left the Company.
- c) Will be **EXCLUDED** for New Quality Life Planner count regardless of how long they have left the Company.

2.1.3. Waiver of Quality Life Planners

- a) Waiver of 2 New Quality Life Planners if the Unit Manager's or District Manager's direct team fulfilled requirements for at least 15 Quality Life Planners.
- b) Waiver of 4 Quality Life Planners (including 2 New Quality Life Planner):
 - i) Unit Manager / District Manager aged 55 years and above **AND** has more than 15 years of service period.
 - ii) Unit Manager / District Manager with more than 20 years of service period.

2.1.4. Payment is subject to one of the following conditions:

- a) At age 55 or above and have had at least 10 years continuous obligation with the Company.
- b) Certified by the Company's Medical Director as unfit to maintain a Unit Manager contract on account of ill health or accident.
- c) Upon death.
- d) At age 65.

2.2. MDPF Contribution

2.2.1. The manager provident fund contribution will be credited to qualifier's provident fund account at the end of calendar year.

COMPENSATION

2.3. Illustration

	Example 1	Example 2	Example 3
Total Life ANP Production (RM)	1M	500K	500K
Manpower	4 QLP (incl. 2 NQLP)	4 QLP (incl. 2 NQLP)	3 QLP (incl. 2 NQLP)
Qualified Percentage	2.0%	1.5%	0.5%
2 nd Year Renewal Premium (RM)	600K	300K	300K
Manager Direct Provident Fund	600K x 2.0% = 12K	300K x 1.5% = 4.5K	300K x 0.5% = 1.5K
Total Manager Direct Provident Fund	12K	4.5K	1.5K

2.4. Manager's contract must be valid at the time of payment.

2.5. Claw back

2.5.1. In the event production dropped below requirement due to cancellation for whatsoever reason(s) by December; the entire payment amount or the over payment amount paid at a higher category earlier, if any, will be clawed back.

2.6. Please refer to Compensation – General Provision section for details on the definition, calculations and illustrations.



4.3

District Group Sales

4.3. DISTRICT GROUP SALES

Eligibility : District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

Qualifying Period : Calendar year

4.3.1. Parallel Overriding (PO) – Effective 1st January 2018

4.3.1.1. The Parallel Overriding will be part of the BSC Compensation and will be paid from DM BSC Bonus PO on daughter DM, hence there will be **NO** fixed Parallel Overriding.

4.3.1.2. Qualified DM under the Grandfathering scheme:

- **Generation 1, 2, 4 & 5**

- a) Will continue to enjoy the same PO rate from previous practice for two (2) transition years from 2018 and 2019.
- b) 1st January 2020 onwards, will follow the Generation 5 PO rate.

- **Generation 3**

- a) Will follow the Generation 2 PO rate for two (2) transition years from 2018 and 2019.
- b) 1st January 2020 onwards, will follow the Generation 5 PO rate.

4.3.1.3. Illustration:

	2018	2019	2020
Generation 1	Grandfather	Grandfather	Follow Gen. 5
Generation 2	Grandfather	Grandfather	Follow Gen. 5
Generation 3	Follow Gen. 2	Follow Gen. 2	Follow Gen. 5
Generation 4	Grandfather	Grandfather	Follow Gen. 5
Generation 5	Grandfather	Grandfather	Follow Gen. 5

Note: Grandfather means the same rate from previous practice will be used.

COMPENSATION

4.3.2. Traditional Life Premium – District Manager Fixed Indirect Overriding

Policy Paying Term (Years)	DM Fixed Indirect Overriding (% of Premium) at Policy Year			
	Year 1	Year 2	Year 3	Year 4
20 & Above	8.00	1.00	1.00	2.00
19	7.60	0.95	0.95	1.90
18	7.20	0.90	0.90	1.80
17	6.80	0.85	0.85	1.70
16	6.40	0.80	0.80	1.60
15	6.00	0.75	0.75	1.50
14	5.60	0.70	0.70	1.40
13	5.20	0.65	0.65	1.30
12	4.80	0.60	0.60	1.20
11	4.40	0.55	0.55	1.10
10	4.00	0.50	0.50	1.00
9	3.60	0.45	0.45	0.90
8	3.20	0.40	0.40	0.80
7	2.80	0.35	0.35	0.70
6	2.40	0.30	0.30	0.60
5	2.00	0.25	0.25	0.50
4	1.60	0.20	0.20	0.40
3	1.50	0.15	0.15	-
2	1.10	0.10	-	-
Single Premium	1.00	-	-	-
Yearly Renewal Term Premium (YRT): For every renewal year	1.00	-	-	-

COMPENSATION

4.3.3. Traditional Life Premium – District Manager BSC Bonus Indirect Overriding (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's indirect Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's indirect LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Indirect Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)		
	Year 1	Year 2	Year 3
20 & Above	2.00	1.00	1.00
19	1.90	0.95	0.95
18	1.80	0.90	0.90
17	1.70	0.85	0.85
16	1.60	0.80	0.80
15	1.50	0.75	0.75
14	1.40	0.70	0.70
13	1.30	0.65	0.65
12	1.20	0.60	0.60
11	1.10	0.55	0.55
10	1.00	0.50	0.50
9	0.90	0.45	0.45
8	0.80	0.40	0.40
7	0.70	0.35	0.35
6	0.60	0.30	0.30
5	0.50	0.25	0.25
4	0.40	0.20	0.20
3	0.30	0.15	0.15
2	0.30	0.10	-

COMPENSATION

4.3.4. Traditional Life Premium – District Manager BSC Bonus Indirect Overriding (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Indirect Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)		
	Year 1	Year 2	Year 3
20 & Above	2.75	1.37	1.37
19	2.61	1.30	1.30
18	2.47	1.23	1.23
17	2.33	1.16	1.16
16	2.20	1.10	1.10
15	2.06	1.03	1.03
14	1.92	0.96	0.96
13	1.78	0.89	0.89
12	1.65	0.82	0.82
11	1.51	0.75	0.75
10	1.37	0.68	0.68
9	1.23	0.61	0.61
8	1.10	0.55	0.55
7	0.96	0.48	0.48
6	0.82	0.41	0.41
5	0.68	0.34	0.34
4	0.55	0.27	0.27
3	0.41	0.20	0.20
2	0.41	0.13	-

COMPENSATION

4.3.5. Investment-Linked Regular Premium – District Manager Fixed Indirect Overriding

Policy Paying Term (Years)	Indirect Overriding (% of Premium) at Policy Year			
	Year 1	Year 2	Year 3	Year 4
20 & Above	4.00	3.50	1.00	2.00
19	3.80	3.32	0.95	1.90
18	3.60	3.15	0.90	1.80
17	3.40	2.97	0.85	1.70
16	3.20	2.80	0.80	1.60
15	3.00	2.62	0.75	1.50
14	2.80	2.45	0.70	1.40
13	2.60	2.27	0.65	1.30
12	2.40	2.10	0.60	1.20
11	2.20	1.92	0.55	1.10
10	2.00	1.75	0.50	1.00
9	1.80	1.57	0.45	0.90
8	1.60	1.40	0.40	0.80
7	1.40	1.22	0.35	0.70
6	1.20	1.05	0.30	0.60
5	1.00	0.87	0.25	0.50
4	0.80	0.70	0.20	0.40
3	0.80	0.60	0.17	-
2	0.80	0.25	-	-

COMPENSATION

4.3.6. Investment-Linked Regular Premium – District Manager BSC Bonus Indirect Overriding (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's indirect Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's indirect LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Indirect Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)		
	Year 1	Year 2	Year 3
20 & Above	2.00	1.00	0.50
19	1.90	0.95	0.47
18	1.80	0.90	0.45
17	1.70	0.85	0.42
16	1.60	0.80	0.40
15	1.50	0.75	0.37
14	1.40	0.70	0.35
13	1.30	0.65	0.32
12	1.20	0.60	0.30
11	1.10	0.55	0.27
10	1.00	0.50	0.25
9	0.90	0.45	0.22
8	0.80	0.40	0.20
7	0.70	0.35	0.17
6	0.60	0.30	0.15
5	0.50	0.25	0.12
4	0.40	0.20	0.10
3	0.30	0.15	0.07
2	0.25	0.10	-

COMPENSATION

4.3.7. Investment-Linked Regular Premium – District Manager BSC Bonus Indirect Overriding (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Indirect Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)		
	Year 1	Year 2	Year 3
20 & Above	2.75	1.37	0.68
19	2.61	1.30	0.64
18	2.47	1.23	0.61
17	2.33	1.16	0.57
16	2.20	1.10	0.55
15	2.06	1.03	0.50
14	1.92	0.96	0.48
13	1.78	0.89	0.44
12	1.65	0.82	0.41
11	1.51	0.75	0.37
10	1.37	0.68	0.34
9	1.23	0.61	0.30
8	1.10	0.55	0.27
7	0.96	0.48	0.23
6	0.82	0.41	0.20
5	0.68	0.34	0.16
4	0.55	0.27	0.13
3	0.41	0.20	0.09
2	0.34	0.13	-

4.3.8. Investment-Linked Premium: Single Premium, Top-up Premium (Scheduled / Ad-Hoc), A-Plus Saver, & Survival Benefit – District Manager Fixed Indirect Overriding

Policy Paying Term (Years)	DM Fixed Indirect Overriding (% of Premium) at Policy Year
Every Top-up	0.25

COMPENSATION

4.3.9. Traditional Life Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 1, 2 & 3) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's down line DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's down line DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	2.50	-	-	5.00	-	-	5.00	-	-
19	2.37	-	-	4.75	-	-	4.75	-	-
18	2.25	-	-	4.50	-	-	4.50	-	-
17	2.12	-	-	4.25	-	-	4.25	-	-
16	2.00	-	-	4.00	-	-	4.00	-	-
15	1.87	-	-	3.75	-	-	3.75	-	-
14	1.75	-	-	3.50	-	-	3.50	-	-
13	1.62	-	-	3.25	-	-	3.25	-	-
12	1.50	-	-	3.00	-	-	3.00	-	-
11	1.37	-	-	2.75	-	-	2.75	-	-
10	1.25	-	-	2.50	-	-	2.50	-	-
9	1.12	-	-	2.25	-	-	2.25	-	-
8	1.00	-	-	2.00	-	-	2.00	-	-
7	0.87	-	-	1.75	-	-	1.75	-	-
6	0.75	-	-	1.50	-	-	1.50	-	-
5	0.62	-	-	1.25	-	-	1.25	-	-
4	0.50	-	-	1.00	-	-	1.00	-	-
3	0.37	-	-	0.75	-	-	0.75	-	-
2	0.25	-	-	0.60	-	-	0.60	-	-

COMPENSATION

4.3.10. Traditional Life Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 1, 2 & 3) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	3.43	-	-	6.87	-	-	6.87	-	-
19	3.25	-	-	6.53	-	-	6.53	-	-
18	3.09	-	-	6.18	-	-	6.18	-	-
17	2.91	-	-	5.84	-	-	5.84	-	-
16	2.75	-	-	5.50	-	-	5.50	-	-
15	2.57	-	-	5.15	-	-	5.15	-	-
14	2.40	-	-	4.81	-	-	4.81	-	-
13	2.22	-	-	4.46	-	-	4.46	-	-
12	2.06	-	-	4.12	-	-	4.12	-	-
11	1.88	-	-	3.78	-	-	3.78	-	-
10	1.71	-	-	3.43	-	-	3.43	-	-
9	1.54	-	-	3.09	-	-	3.09	-	-
8	1.37	-	-	2.75	-	-	2.75	-	-
7	1.19	-	-	2.40	-	-	2.40	-	-
6	1.03	-	-	2.06	-	-	2.06	-	-
5	0.85	-	-	1.71	-	-	1.71	-	-
4	0.68	-	-	1.37	-	-	1.37	-	-
3	0.50	-	-	1.03	-	-	1.03	-	-
2	0.34	-	-	0.82	-	-	0.82	-	-

COMPENSATION

4.3.11. Traditional Life Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 4 & 5) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's down line DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's down line DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	-	-	-	2.00	-	-
19	-	-	-	1.90	-	-
18	-	-	-	1.80	-	-
17	-	-	-	1.70	-	-
16	-	-	-	1.60	-	-
15	-	-	-	1.50	-	-
14	-	-	-	1.40	-	-
13	-	-	-	1.30	-	-
12	-	-	-	1.20	-	-
11	-	-	-	1.10	-	-
10	-	-	-	1.00	-	-
9	-	-	-	0.90	-	-
8	-	-	-	0.80	-	-
7	-	-	-	0.70	-	-
6	-	-	-	0.60	-	-
5	-	-	-	0.50	-	-
4	-	-	-	0.40	-	-
3	-	-	-	0.30	-	-
2	-	-	-	0.20	-	-

COMPENSATION

4.3.12. Traditional Life Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 4 & 5) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	-	-	-	2.75	-	-
19	-	-	-	2.61	-	-
18	-	-	-	2.47	-	-
17	-	-	-	2.33	-	-
16	-	-	-	2.20	-	-
15	-	-	-	2.06	-	-
14	-	-	-	1.92	-	-
13	-	-	-	1.78	-	-
12	-	-	-	1.65	-	-
11	-	-	-	1.51	-	-
10	-	-	-	1.37	-	-
9	-	-	-	1.23	-	-
8	-	-	-	1.10	-	-
7	-	-	-	0.96	-	-
6	-	-	-	0.82	-	-
5	-	-	-	0.68	-	-
4	-	-	-	0.55	-	-
3	-	-	-	0.41	-	-
2	-	-	-	0.27	-	-

COMPENSATION

4.3.13. Investment-Linked Regular Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 1, 2 & 3) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's down line DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's down line DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	2.30	-	-	2.30	2.30	-	2.30	2.30	-
19	2.18	-	-	2.18	2.18	-	2.18	2.18	-
18	2.07	-	-	2.07	2.07	-	2.07	2.07	-
17	1.95	-	-	1.95	1.95	-	1.95	1.95	-
16	1.84	-	-	1.84	1.84	-	1.84	1.84	-
15	1.72	-	-	1.72	1.72	-	1.72	1.72	-
14	1.61	-	-	1.61	1.61	-	1.61	1.61	-
13	1.49	-	-	1.49	1.49	-	1.49	1.49	-
12	1.38	-	-	1.38	1.38	-	1.38	1.38	-
11	1.26	-	-	1.26	1.26	-	1.26	1.26	-
10	1.15	-	-	1.15	1.15	-	1.15	1.15	-
9	1.03	-	-	1.03	1.03	-	1.03	1.03	-
8	0.92	-	-	0.92	0.92	-	0.92	0.92	-
7	0.80	-	-	0.80	0.80	-	0.80	0.80	-
6	0.69	-	-	0.69	0.69	-	0.69	0.69	-
5	0.57	-	-	0.57	0.57	-	0.57	0.57	-
4	0.46	-	-	0.46	0.46	-	0.46	0.46	-
3	0.34	-	-	0.34	0.34	-	0.34	0.34	-
2	0.23	-	-	0.23	0.23	-	0.23	0.23	-

COMPENSATION

4.3.14. Investment-Linked Regular Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 1, 2 & 3) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)								
	Generation 1 District Manager Appointed Before 1 st January 1996			Generation 2 District Manager Appointed On And After 1 st January 1996			Generation 3 District Manager Appointed On And After 1 st December 2007		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	3.16	-	-	3.16	3.16	-	3.16	3.16	-
19	2.99	-	-	2.99	2.99	-	2.99	2.99	-
18	2.84	-	-	2.84	2.84	-	2.84	2.84	-
17	2.68	-	-	2.68	2.68	-	2.68	2.68	-
16	2.53	-	-	2.53	2.53	-	2.53	2.53	-
15	2.36	-	-	2.36	2.36	-	2.36	2.36	-
14	2.21	-	-	2.21	2.21	-	2.21	2.21	-
13	2.04	-	-	2.04	2.04	-	2.04	2.04	-
12	1.89	-	-	1.89	1.89	-	1.89	1.89	-
11	1.73	-	-	1.73	1.73	-	1.73	1.73	-
10	1.58	-	-	1.58	1.58	-	1.58	1.58	-
9	1.41	-	-	1.41	1.41	-	1.41	1.41	-
8	1.26	-	-	1.26	1.26	-	1.26	1.26	-
7	1.10	-	-	1.10	1.10	-	1.10	1.10	-
6	0.94	-	-	0.94	0.94	-	0.94	0.94	-
5	0.78	-	-	0.78	0.78	-	0.78	0.78	-
4	0.63	-	-	0.63	0.63	-	0.63	0.63	-
3	0.46	-	-	0.46	0.46	-	0.46	0.46	-
2	0.31	-	-	0.31	0.31	-	0.31	0.31	-

COMPENSATION

4.3.15. Investment-Linked Regular Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 4 & 5) (TBSC Score = 100%)

The DM BSC Bonus rate is based on the DM's down line DM's direct Life Planner's Total BSC (TBSC) Score. The table below indicates the BSC bonus rate based on a TBSC Score of 100%. To obtain the rate entitlement for a specific DM, one should take the rates in the table below multiplied by the DM's down line DM's direct LP individual's TBSC Score.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 100%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	-	-	-	2.00	-	-
19	-	-	-	1.90	-	-
18	-	-	-	1.80	-	-
17	-	-	-	1.70	-	-
16	-	-	-	1.60	-	-
15	-	-	-	1.50	-	-
14	-	-	-	1.40	-	-
13	-	-	-	1.30	-	-
12	-	-	-	1.20	-	-
11	-	-	-	1.10	-	-
10	-	-	-	1.00	-	-
9	-	-	-	0.90	-	-
8	-	-	-	0.80	-	-
7	-	-	-	0.70	-	-
6	-	-	-	0.60	-	-
5	-	-	-	0.50	-	-
4	-	-	-	0.40	-	-
3	-	-	-	0.30	-	-
2	-	-	-	0.20	-	-

COMPENSATION

4.3.16. Investment-Linked Regular Premium – District Manager BSC Bonus Parallel Overriding On Daughter District Manager (Generation 4 & 5) (TBSC Score = 137.5%)

The following table below is an illustration that shows the possible maximum rate payable based on a TBSC Score of 137.5%.

Policy Paying Term (Years)	DM BSC Bonus Parallel Overriding (% of Premium) at Policy Year (Based on TBSC of 137.5%)					
	Generation 4 District Manager Appointed Before 30 th November 2013			Generation 5 District Manager Appointed On And After 1 st December 2013		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
20 & Above	-	-	-	2.75	-	-
19	-	-	-	2.61	-	-
18	-	-	-	2.47	-	-
17	-	-	-	2.33	-	-
16	-	-	-	2.20	-	-
15	-	-	-	2.06	-	-
14	-	-	-	1.92	-	-
13	-	-	-	1.78	-	-
12	-	-	-	1.65	-	-
11	-	-	-	1.51	-	-
10	-	-	-	1.37	-	-
9	-	-	-	1.23	-	-
8	-	-	-	1.10	-	-
7	-	-	-	0.96	-	-
6	-	-	-	0.82	-	-
5	-	-	-	0.68	-	-
4	-	-	-	0.55	-	-
3	-	-	-	0.41	-	-
2	-	-	-	0.27	-	-



4.4

**Manager Indirect
Provident Fund
(MIPF)**

COMPENSATION

4.4. MANAGER INDIRECT PROVIDENT FUND (MIPF)

Eligibility : District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

1. Requirements

Total Life ANP (DM's District = Down Line UM <u>AND</u> DM Direct Team's Life ANP)	Min # of Manpower (Down Line UM as at 31 st December)	Manager Indirect Provident Fund (% x Year 2 Renewal Premium from Down Line UM)
2.5M & Above	2	1.5%
1M to < 2.5M		1.0%
300K to < 1M		0.5%

Note:
1) Down Line UM refers one level down line Unit Manager.

2. Rules

2.1. Manpower

- 2.1.1. District Manager who spins off a down line Unit Manager to the rank of District Manager will be granted a 2-year waiver for manpower requirement.
- 2.1.2. District Manager who has Unit Manager who were demoted in the current year will be granted a 2-year waiver for manpower requirement, where the current year is counted as the 1st year.

2.2. Indirect Provident Fund

- 2.2.1. District Manager indirect provident fund contribution will be credited to qualifier's provident fund account at the end of calendar year.

2.3. Payment is subject to one of the following conditions:

- 2.3.1. At age 55 or above and have had at least 10 years continuous obligation with the Company.
- 2.3.2. Certified by the Company's Medical Director as unfit to maintain a Unit Manager contract on account of ill health or accident.
- 2.3.3. Upon death.
- 2.3.4. At age 65.

2.4. Illustration

	Example 1	Example 2	Example 3
Total Life ANP Production (RM)	2.5M	1M	1M
Manpower	3	2	1
Qualified Percentage	1.5%	1.0%	Not eligible
2 nd Year Renewal Premium (RM)	1.5M	1M	1M
Indirect Provident Fund	1.5M x 1.5% = 22.5K	1M x 1% = 10K	-
Total Indirect Provident Fund	22.5K	10K	-

2.5. District Manager's contract must be valid at the time of payment.

2.6. Claw back

- 2.6.1. In the event production dropped below requirement due to cancellation for whatsoever reason(s) by December; the entire payment amount or the over payment amount paid at a higher category earlier, if any, will be clawed back.

2.7. Please refer to Compensation – General Provision section for details on the definition, calculations and illustrations.



4.5

**District Manager
Spin-Off Benefit**

4.5. DISTRICT MANAGER SPIN-OFF BENEFIT

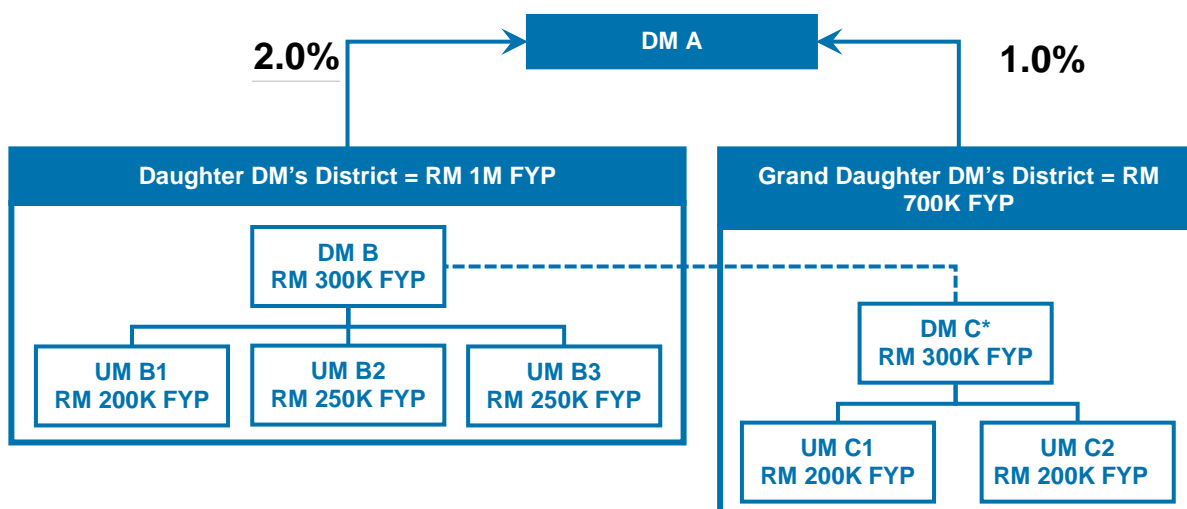
Eligibility : District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

1. Requirements

Mother / Grandmother DM's Requirement		Loyalty Spin-off Benefit Payment	
Total Life ANP (District ANP)	D1 Persistency (Direct or District)	% x Daughter DM's FYP (District FYP)	% x Grand Daughter DM's FYP (District FYP)
Min 100K	Min 80%	2.0%	1.0%

2. Rules

- 2.1. DADMs are not eligible for Loyalty Spin-off Benefit.
- 2.2. Payable amount is
 - 2.2.1. 2% of the daughter District Manager's district FYP and;
 - 2.2.2. 1% of the granddaughter District Manager's district FYP for the year.
- 2.3. For spouse promotion, please refer to Spouse Promotion rule.
- 2.4. In the event the District Manager fails to qualify due to not meeting the above requirements, the Loyalty Spin-off Benefit entitlement will be forfeited and will not be rolled up.
- 2.5. ANP and Persistency Requirements will be waived for District Managers who have achieved MOC waiver status by 30th November 2017. There will be no more additional leaders to be granted with waiver after 1st December 2017.
 - 2.5.1. Termination / Resignation / Death
 - a) The Loyalty Benefit eligibility will be rolled up upon occurrence of any of these events.
 - b) In the event that a District Manager has executed a Succession or Retirement Planning, this benefit will follow rules stated in the Succession or Retirement Planning.
- 2.6. Downgrade of Mother / Grandmother DM:
 - 2.6.1. If the District Manager is downgraded to Unit Manager, the benefit entitlement shall continue.
 - 2.6.2. If the said UM is further downgraded to AUM / Life Planner, the benefit entitlement will cease.
 - 2.6.3. The eligibility shall resume in the event the said Unit Manager / AUM / Life Planner resumes position back to District Manager.
- 2.7. Any exceptions from the above stated will require approval from the CEO and DGM of Agency Distribution. The decision to approve or reject remains the sole discretion of the management.
- 2.8. Loyalty Spin-off Benefit Payment will be paid in the end of 1st quarter, after the calendar year closing.
- 2.9. Illustration



*DM C is Daughter DM of DM B.

Daughter DM's District (DM B)	1M x 2% = 20K
Grand Daughter DM's District (DM C)	700K x 1% = 7K
Total Loyalty Spin-off Benefit for DM A	27K

COMPENSATION

2.10. Claw back

2.10.1. In the event production dropped below requirement due to cancellation for whatsoever reason(s) by November; the entire payment amount or the over payment amount paid at a higher category earlier, if any, will be clawed back.

2.11. Please refer to Compensation – General Provision section for details on the definition, calculations and illustrations.



4.6

Breakaway Benefit

4.6. BREAKAWAY BENEFIT

Eligibility : Mother District Manager of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

1. Rules

- 1.1. This benefit is payable to the mother District Manager upon appointment of Unit Manager to the rank of District Manager.
- 1.2. Calculation is based on Overriding received by the mother District Manager on Unit Managers' production in the last 24 months; who are now regrouped and reporting to the newly appointed District Manager.
- 1.3. Only down line Unit Managers who reported to the mother District Manager in the last 24 months are considered. If a down line Unit Manager reported for only 12 months, then the 12 months production will be considered for calculation.
- 1.4. Formula:

Overriding* earned by mother District Manager in the last 24 months on Unit Manager production prior to spin-off **divided** by 2, then **multiply** by 50%.

$$\text{Breakaway Benefit} = \left(\text{Overriding* earned by mother District Manager in the last 24 months on Unit Manager business prior to spin-off} \right) \div 2 \times 50\%$$

***Note:**

Includes overriding earned by mother DM on UMs who break away from the agency and who are now reporting to the newly appointed DM.

1.5. Claw back

- 1.5.1. In the event production dropped below requirement due to cancellation for whatsoever reason(s) by December; the entire payment amount or the over payment amount paid at a higher category earlier, if any, will be clawed back.

- 1.6. Please refer to Compensation – General Provision section for details on the definition, calculations and illustrations.

Retirement Planning Option

5.0. RETIREMENT PLANNING OPTION

Applicable to	: Unit Manager / District Manager of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.
Retirement / Succession Options	: 1. Business Succession: 50%:50% 2. 7 Years Retirement Planning 3. Business Succession Nomination
Compulsory Documents	: Application Form

OVERVIEW

1. The choice to opt for retirement planning is **OPTIONAL**. The Life Planner's Contract and Contract Maintenance waiver will continue if the leader does not wish to proceed with retirement.
2. To be eligible to apply for Business Succession: 50%:50% or 7 Years Retirement Planning, the original leaders (UM / DM) must attain 55 years of age and have more than 15 years of continuous service with the Company **OR** have served more than 20 years continuously. This is exceptional for Business Succession Nomination.
3. The direct team or district of the retiring UM / DM will be dissolved and down lines of the retiring UM / DM will be assigned to a successor to be decided in accordance with the Company's rules.
4. The Retirement Planning Option will be implemented in accordance to the rules and regulation upon approval of written application and mutually agreed commencement date.
5. The original UM / DM who maintains Life Planner status after implementation of option is required to fulfill the yearly CPD hours' requirements.
6. The successor must ensure full MOC requirements are achieved after execution of succession.
7. All the arrangements on Retirement Planning Option are subject to the Company's approval.
8. Retirement Planning Options
 - 8.1. Business Succession: 50%:50%
 - 8.1.1. The original UM / DM and the successor will share 50%: 50% on businesses captured post succession planning.
 - 8.1.2. Details on handling of overriding and compensation are available in Compensation Module – Retirement Planning Option.
 - 8.2. 7 Years Retirement Planning
 - 8.2.1. Businesses captured after the implementation of the option will be shared 50%:50% between the retiring UM / DM and the successor for a period of 7 years.
 - 8.2.2. Once implemented, the plan will run for a period of 7 years. In the event that the retiring UM / DM passed away before the completion of the 7 years, the benefits due to the retiring UM / DM for the remaining years will be paid to a beneficiary of the retiring leader's choice.
 - 8.2.3. Details on handling of overriding and compensation are available in Compensation Module – Retirement Planning Option.
 - 8.3. Business Succession Nomination
 - 8.3.1. The retiring leader will be allowed to name 2 successors and/or 2 nominee to take over the retiring leader's agency and business when he/she passes away.
 - 8.3.2. There will be no effect to the Original Leader's overriding and compensation for as long as the Original Leader is alive.
 - 8.3.3. Details on handling of overriding and compensation are available in Compensation Module – Retirement Planning Option.

COMPENSATION

5.1. BUSINESS SUCCESSION: 50%:50% (PHASE 1 IMPLEMENTATION)

Eligibility : Unit Manager (UM) and District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

Effective : 1st December 2015

RULES

1. Original leader:
 - 1.1. Unit Manager / District Manager who have fulfilled the following conditions:
 - 1.1.1. Attained 55 years and above **AND** with 15 years of continuous service **OR**;
 - 1.1.2. With 20 years of continuous service.
 - 1.1.3. Continuous service is counted from the date of agent contract.
2. Successor:
 - 2.1. Life Planner / leader who is from the same district / from the immediate down line's district (one level down) / from the immediate up line's district (one level up).
 - 2.2. Must complete BAMC+ and/or LIMRA Pacesetter prior to succeeding the Original Leader; all other mandatory leaders training within 2 years after succession.
3. The succession arrangement must be approved by the Company before the implementation.
4. The Original Leader and the Successor will enter into the "Business Succession: 50%:50%" Agreement with the Company.
5. The Successor will inherit the whole Direct Team / District and all agents belonging to the Direct Team / District of the Original Leader after the implementation of the succession.
6. The original leader will not be allowed to produce new business after the succession.
7. Treatment of Overriding and Compensation:
 - 7.1. Old Block of Business (policies captured **BEFORE** the succession)
 - 7.1.1. 100% of overriding and compensation will be payable to the Original Leader.
 - 7.1.2. Compensation on personal sales business captured before the succession (old block of business) will not be affected by the succession arrangement.
 - 7.2. New Block of Business (policies captured **AFTER** the succession)
 - 7.2.1. Business from down lines of the Original Leader:
 - a) 50% of the overriding will be payable to the Original Leader.
 - b) 50% of the overriding and 100% of the compensation will be payable to the Successor.
 - 7.2.2. Business from down lines of the Successor:
 - a) 100% of the overriding and compensation will be payable to the Successor.
 - 7.3. Overriding refers to Direct, Indirect and Parallel overriding commission wherever applicable.
 - 7.4. Compensation refers to commission on personal sales business; Direct and Indirect Provident Fund wherever applicable.
8. 2 + 1 Loyalty Spin-off Benefit (for business captured **AFTER** the effective date of the Agreement)
 - 8.1. On business by daughter DM of the Original Leader who is promoted **BEFORE** the succession:
 - 8.1.1. 100% payable to the Original Leader.
 - 8.2. On business by daughter DM of the Original Leader who is promoted **AFTER** the succession:
 - 8.2.1. 100% payable to the Successor.
9. Death of the Original Leader:
 - 9.1. 100% of overriding, compensation and 2 + 1 Loyalty Spin-off Benefit:
 - 9.1.1. Payable to the Successor.
 - 9.2. Manager Direct and/or Indirect Provident Fund contributed prior to the death:
 - 9.2.1. Payable to the Beneficiary of the deceased Original Leader.

COMPENSATION

10. Occurrences of Misconduct
 - 10.1. The Original Leader and/or successor and/or spouse are involved in these events:
 - 10.1.1. Join the competitor
 - 10.1.2. Publish comments / articles disparaging to the Company / agents / policyholders
 - 10.1.3. Act in any way contrary to the interest of the Company and its policyholders
 - 10.2. Due to fault of the Original Leader as stated in Clause 10.1
 - 10.2.1. Old Block – Basic Commission, Overriding and Compensation payments due to Original Leader will be kept in account for future recovery accordance with the Company's terminated fault rule.
 - 10.2.2. New Block – Overriding and compensation will be paid to the Successor.
 - 10.2.3. Old Block 2 + 1 Loyalty benefit will cease, New Block will be paid to the Successor.
 - 10.3. Due to fault of the Successor
 - 10.3.1. All benefit due to Successor will be kept in account for future recovery accordance with the Company's terminated fault rule and the bonuses will be ceased.
 - 10.4. Due to fault of the Original Leader and Successor
 - 10.4.1. All benefit due will be kept in account for future recovery accordance with the Company's terminated fault rule and the bonuses will be ceased.
11. The successor shall be responsible for persistency of the direct team / district.
12. Down lines from original Unit Manager / District Manager
 - 12.1. Down lines from original the Unit Manager / District Manager are placed under the successor's direct team / district.
 - 12.2. Transfer out of Life Planners from the successor's direct team / district is not allowed.

5.2. 7 YEARS RETIREMENT PLANNING (PHASE 1 IMPLEMENTATION)

Eligibility : Unit Manager (UM) and District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

Effective : 1st December 2015

RULES

1. Retiring Leader:
 - 1.1. Unit Manager / District Manager who have fulfilled the following conditions:
 - 1.1.1. Attained 55 years and above **AND** with 15 years of continuous service **OR**;
 - 1.1.2. With 20 years of continuous service.
 - 1.1.3. Continuous service is counted from the date of agent contract.
2. The New Leader: Unit Manager / District Manager who have fulfilled the following conditions:
 - 2.1. Life Planner / leader who is from the same district / from the immediate down line's district (one level down) / from the immediate up line's district (one level up).
 - 2.2. The candidate is approved by the Company.
3. Under this arrangement, the Retiring Leader chooses to permanently retire. Direct team / District from the Retiring Leader will be placed under the New Leader.
4. The retirement arrangement must be approved by the Company before the implementation.
5. The Retiring Leader will enter into the "7 Years Retirement Planning" Agreement with the Company.
6. The Retiring Leader is not allowed to produce new business after the retirement planning option.
7. Treatment of Overriding and Compensation
 - 7.1. Old Block of Business (policies captured **BEFORE** the retirement)
 - 7.1.1. 100% of overriding and compensation will be payable to the Original Leader.
 - 7.1.2. Compensation on personal sales business captured before the succession (old block of business) will not be affected by the succession arrangement.
 - 7.2. New Block of Business (policies captured **AFTER** the retirement)
 - 7.2.1. Business from down lines of the Retiring Leader (1st – 7th year)
 - a) 50% of the overriding will be payable to the Retiring Leader for 7 years. Payment will cease at the end of the 7th year; including payment from policies captured within the 7th years period and may still be commissionable after the 7th year.
 - b) 50% of the overriding and 100% of the compensation will be payable to the New Leader.
 - 7.2.2. Business from down lines of the Retiring Leader (8th year onwards)
 - a) 100% of the overriding and compensation will be payable to the New Leader.
 - 7.2.3. Business from down lines of the New Leader
 - a) 100% of the overriding and compensation will be payable to the New Leader.
 - 7.3. Overriding refers to Direct, Indirect and Parallel overriding commission wherever applicable.
 - 7.4. Compensation refers to commission on personal sales business; Direct and Indirect Provident Fund wherever applicable.
8. 2 + 1 Loyalty Spin-off Benefit (for business captured **AFTER** the effective date of the Agreement)
 - 8.1. On business by daughter DM of the Retiring Leader who is promoted **BEFORE** the succession:
 - 8.1.1. 100% is payable to the Retiring Leader for 7 years.
 - 8.1.2. 100% is payable to the New Leader from the 8th year onwards.
 - 8.2. On business by daughter DM of the Retiring Leader who is promoted **AFTER** the succession:
 - 8.2.1. 100% is payable to the New Leader.
9. Death of the Retiring Leader within 7 Years after Retirement Planning Implementation:
 - 9.1. The remaining overriding due to the deceased Retiring Leader will be paid to the Beneficiary till end of the 7th year.
 - 9.2. 2 + 1 Loyalty Spin-off Benefit due to the deceased Retiring Leader will be paid to the Beneficiary till end of the 7th year.
 - 9.3. Overriding, compensation & 2 + 1 Loyalty Spin-off Benefit from the 8th year will be paid to the New Leader.

COMPENSATION

10. Occurrences of Misconduct
 - 10.1. The Retiring Leader and/or New Leader and/or spouse are involved in these events:
 - 10.1.1. Join the competitor
 - 10.1.2. Publish comments / articles disparaging to the Company / agents / policyholders
 - 10.1.3. Act in any way contrary to the interest of the Company and its policyholders
 - 10.2. Due to fault of the Retiring Leader as stated in Clause 10.1
 - 10.2.1. Old Block – Basic Commission, Overriding and Compensation payments due to Retiring Leader will be kept in account for future recovery accordance with the Company's terminated fault rule.
 - 10.2.2. New Block – Overriding and compensation will be paid to the New Leader.
 - 10.2.3. Old Block 2 + 1 Loyalty benefit will cease, New Block will be paid to the New Leader.
 - 10.3. Due to fault of the New Leader
 - 10.3.1. All benefit due to New Leader will be kept in account for future recovery accordance with the Company's terminated fault rule and the bonuses will be ceased.
 - 10.4. Due to fault of the Retiring Leader and New Leader
 - 10.4.1. All benefit due will be kept in account for future recovery accordance with the Company's terminated fault rule and the bonuses will be ceased.
11. The New Leader shall be responsible for persistency of the direct team / district.
12. Down lines from Retiring Leader
 - 12.1. Down lines from Retiring Leader are placed under the New Leader's direct team/district.
 - 12.2. Transfer out of Life Planners from the New Leader's direct team/district is not allowed.

5.3. BUSINESS SUCCESSION NOMINATION (PHASE 2 IMPLEMENTATION)

Eligibility : Unit Manager (UM) and District Manager (DM) of Agency Distribution Channel (Conventional Life and Takaful) with active contracts.

Effective : 7th June 2018

RULES

1. Original leader:
 - 1.1. Unit Manager / District Manager that have valid contract with AIA.
2. Successor:
 - 2.1. Successor must have a valid contract with AIA with minimum one (1) year of continuous service and from the same District Group / from the immediate down line's District Group / from the immediate up line's District Group as the Original Leader at the point of being named in the Business Succession Nomination form.
3. Nominee:
 - 3.1. Nominee must be minimum 18 years of age at the point of being named in the Business Succession Nomination form.
4. The Business Succession Nomination form must be approved by the Company before implementation.
5. The Original Leader can submit up to four (4) names following the requirements as stated under Clause 2 and 3, with an allowance of up to:
 - 5.1. Two (2) Successors (Primary Successor and Secondary Successor), and/or
 - 5.2. Two (2) Nominees (Primary Nominee and Secondary Nominee).
6. The 4 names will follow the priority order from Clause 6.1 to 6.4 as denoted below:
 - 6.1. Primary Successor
 - 6.2. Secondary Successor
 - 6.3. Primary Nominee
 - 6.4. Secondary Nominee
7. The Original Leader is allowed to provide the names wherever is applicable according to Clause 6.1 to 6.4. In the event the respective section is left blank, the next available name will be considered under the succession arrangement.
8. The Original Leader is responsible for ensure eligibility of the Successor / Nominee prior to submitting the form to Company, where the Successor / Nominee must meet the requirement under Clause 2 and 3.
9. The Original Leader is required to complete and submit the "Retirement Planning Option" form under the "Business Succession Nomination" section to Company for processing.
10. The submitted form will be effective from the approval date of the application and the Original Leader can request for changes to the form at any time. Any newly updated and approved form will override the previous form upon its effective date.
11. The approval date in the form will determine the arrangement of the Business Succession Nomination and will be lockdown in accordance to the effective version of the Agency Compensation Handbook. Any changes of the handbook thereafter will not impact the arrangement, unless an updated form is submitted and approved.
12. After the Company has approved the Business Succession Nomination form, there will be no effect to the Original Leader's overriding and compensation for as long as the Original Leader is alive.
13. Under this arrangement, if the Original Leader passes away, the Successor / Nominee shall take over the rank and position of the Original Leader in the agency hierarchy and inherit the whole Direct Team / District Group. This is subject to the eligibility at the point of succession, where:
 - 13.1. The Successor must meet the requirements in accordance to Clause 2:
 - 13.1.1. In the event that Clause 13.1 is not fulfilled, the Successor will null and void his/her eligibility under this arrangement. The next available name (if any) will be considered under the succession arrangement.
 - 13.1.2. Subject to Clause 13.1, after the point of succession, the Successor will have within 2 years (24 months) to complete all mandatory trainings and requirements in accordance to the rank of the deceased Original Leader. Otherwise, the deceased's agency will be rolled-up to the immediate up-line leader in accordance to the Company policy.

COMPENSATION

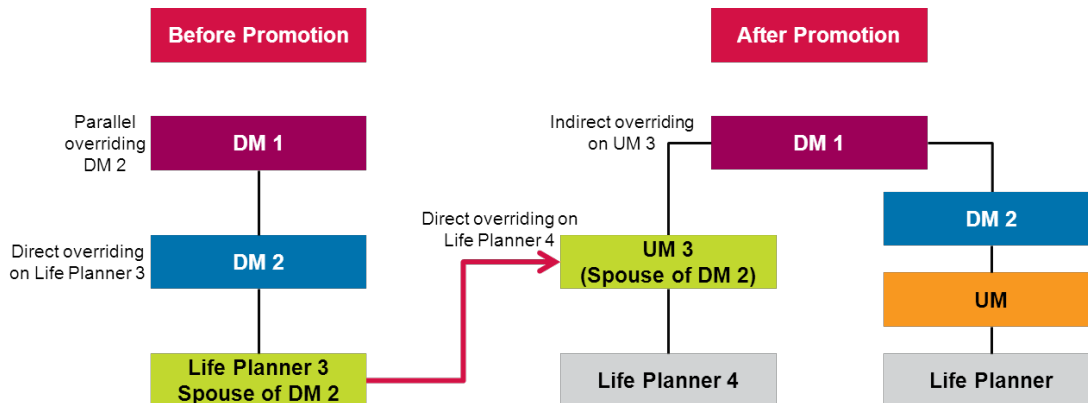
- 13.2. The Nominee must meet the requirements in accordance to Clause 3 and must be coded within 90 calendar days to proceed with the succession:
 - 13.2.1. In the event that Clause 13.2 is not fulfilled, the Nominee will null and void his/her eligibility under this arrangement. The next available name (if any) will be considered under the succession arrangement.
 - 13.2.2. Subject to Clause 13.2, after the point of succession, the Nominee will be appointed as the Successor and will have within 2 years (24 months) to complete all mandatory trainings and requirements in accordance to the rank of the deceased Original Leader. Otherwise, the deceased's agency will be rolled-up to the immediate up-line leader in accordance to the Company policy.
14. At the point of succession, the eligibility of the Successor / Nominee will be nulled and voided in the event of the following:
 - 14.1. The Successor / Nominee is deceased, or
 - 14.2. The Successor is terminated or have resigned, or
 - 14.3. The Successor / Nominee has revoked of his/her rights under this arrangement in written.
15. Subject to Clause 14, the next available name (if any) will be considered to take over the rank and position of the Original Leader in the agency hierarchy and inherit the whole Direct Team / District Group.
16. At any point when a Successor / Nominee is appointed as a successor to take over the agency business, the rest of the names written under the Business Succession Nomination form will be null and void.
17. In the event that all available names has been exhausted and/or not eligible, then upon the death of the Original Leader, the deceased's agency will be rolled-up to the immediate up-line leader in accordance to the company policy.
18. If the Original Leader have a Contract Maintenance Waiver prior to death, it is not transferable when the next successor takes over. This is exceptional if the successor is already entitled with a Contract Maintenance Waiver.
19. Treatment of Overriding, Compensation and 2 +1 Loyalty Spin-off Benefit **AFTER** implementation of the Business Succession Nomination **AND** death of the Original Leader:
 - 19.1. Old Block of Business (policies captured **BEFORE** death of the Original Leader) **AND** New Block of Business (policies captured **AFTER** death of the Original Leader): 100% of the overriding and the compensation will be payable to the Successor.
 - 19.2. Manager Direct and/or Indirect Provident Fund contributed prior to death of the Original Leader, and 2 + 1 Loyalty Spin-off Benefit: 100% payable to the Beneficiary of the deceased Original Leader.
 - 19.3. Business from down lines of the Successor: 100% of the overriding and compensation will be payable to the Successor.
20. Overriding refers to Direct, Indirect and Parallel overriding commission wherever applicable.
21. Compensation refers to commission on personal sales business; Direct and Indirect Provident Fund wherever applicable.
22. Death of the Successor / Nominee prior to death of Original Leader
 - 22.1. Will have no effect to the Original Leader's overriding and compensation.
 - 22.2. Original Leader is responsible to submit changes to the Business Succession Nomination.
23. Occurrences of Misconduct – Resulting in termination
 - 23.1. The Original Leader and/or Successor are involved in these events:
 - 23.1.1. Join the competitor
 - 23.1.2. Publish comments / articles disparaging to the Company / agents / policyholders
 - 23.1.3. Act in any way contrary to the interest of the Company and its policyholders
 - 23.2. Due to fault of the Original Leader
 - 23.2.1. All benefit due will be kept in account for future recovery accordance with the Company's termination fault rule and bonuses will be ceased.
 - 23.2.2. The Business Succession Nomination will be null and void.
 - 23.3. Due to fault of the Successor
 - 23.3.1. The Successor will no longer be eligible as the successor in the Business Succession Nomination.
24. The Successor will be responsible for persistency of the Direct Team / District Group, after the Original Leader is deceased and implementation of the Business Succession Nomination.
25. Any Business Succession: 50%:50% **OR** 7 Years Retirement Planning executed (if any) prior to the death of the Original Leader will supersede the Business Succession Nomination.

Treatment Of Compensation On Spouse Promotion

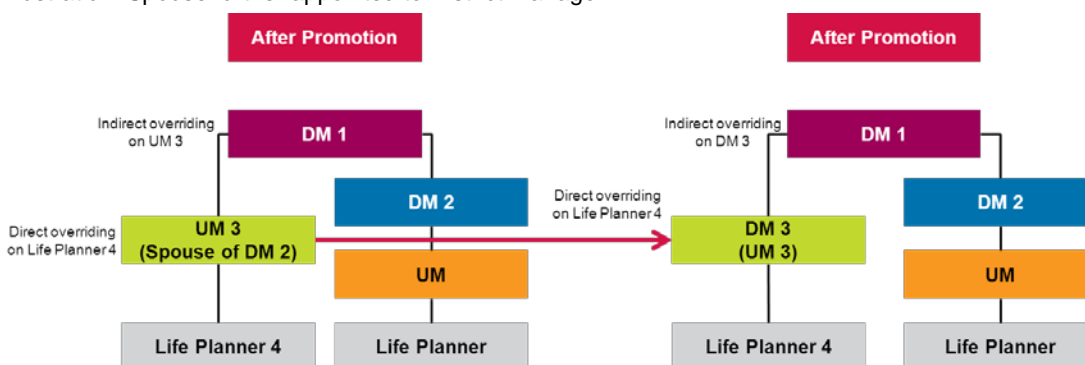
6.0. TREATMENT OF COMPENSATION ON SPOUSE PROMOTION

RULES

1. Spouse promotion rules to Unit Managers and District Managers will be effective and applicable for promotion on and after December 2013 under the New Agency Compensation.
2. There will be **NO TRANSITION PERIOD** allowed.
3. Under the Spouse Promotion rule, a spouse Life Planner who is appointed to Unit Manager / District Manager will be placed under the grandmother District Manager.
4. The grandmother District Manager will receive overriding and benefits on the spouse Unit Manager / District Manager.
5. If the spouse Life Planner is appointed to Unit Manager, the grandmother District Manager will be entitled to:
 - 5.1. Indirect overriding on Unit Manager.
 - 5.2. Indirect production bonus and indirect provident fund on Unit Manager.
6. If the spouse Unit Manager is subsequently appointed to District Manager, the grandmother District Manager will be entitled to:
 - 6.1. Manager Parallel BSC Bonus on son District Manager.
 - 6.2. 2 + 1 Loyalty Benefit on son District Manager
 - 6.3. Breakaway benefit
7. Illustration: Spouse appointed to Unit Manager



8. Illustration: Spouse further appointed to District Manager



9. Unit Manager Remains Under Hierarchy of Spouse District Manager after Appointment
 - 9.1. If the newly appointed spouse Unit Manager remains reported to the District Manager, the District Manager will be entitled to:
 - 9.1.1. Indirect overriding on Unit Manager.
 - 9.1.2. Indirect production bonus and indirect provident fund on Unit Manager.

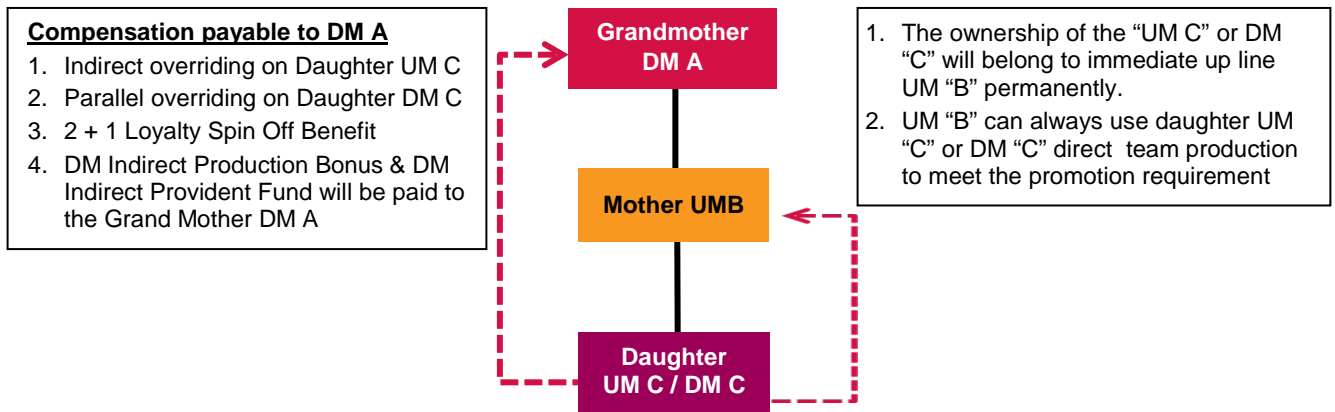
**Treatment of
Compensation:
Down Line Life Planner
Appointed to Unit
Manager but Immediate
Up Line Remained in
Unit Manager Position**

COMPENSATION

7.0. TREATMENT OF COMPENSATION: DOWN LINE LIFE PLANNER APPOINTED AS UNIT MANAGER BUT THE EXISTING IMMEDIATE UP LINE REMAINED IN THE POSITION OF UNIT MANAGER

RULES

1. In the event any Life Planner is appointed as new Unit Manager C (UM C) or subsequently as District Manager C (DM C), but the immediate up line is still holding the position of Unit Manager B (UM B), the Indirect Overriding, Parallel Overriding, Indirect Production Bonus, Indirect Provident Fund and 2 + 1 Spin off Benefit will be paid to the grandmother District Manager A.
2. However, the ownership of the Daughter Unit Manager will still belong to his immediate up line UM B permanently; even though UM C may one day subsequently be promoted to DM C position.
3. Up line UM B can use his daughter UM C or DM C direct team production to be counted for promotion requirement (Example: min 1 down line for UM promotion to DM).
4. In the event mother UM B is promoted to DM B, he can claim back UM C or DM C to be down line manager BUT can only be entitle to Parallel Overriding, Indirect Overriding, Indirect Production Bonus, Indirect Provident Fund and 2 + 1 Loyalty Spin off Benefit on all business captured under UM C or DM C effective from UM B's promotion to DM B.
5. Any renewal benefit or spillover benefit such as Parallel Overriding, Indirect Overriding, Indirect Production Bonus , Indirect Provident Fund and 2 + 1 Loyalty Spin off Benefit on business captured under UM C or DM C prior to UM B's promotion to DM, will still be payable to grandmother DM A.
6. Illustration:



Other Lines of Business

8.0. OTHER LINES OF BUSINESS

8.1. OTHER LINES OF BUSINESS: COMPENSATION

Eligibility : Agency members of Agency Distribution Channel (Conventional Life and Takaful).

Effective : 1st December 2013 (for products from General Insurance, Corporate Solutions, Mortgage and Private Retirement Scheme).

1. General Insurance

Rank	PA	MOTOR	HOME/COMMERCIAL BUSINESS UNIT	P. LINES/CBU (VALUABLES/LIABILITIES)
	% x Premium	% x Premium	% x Premium	% x Premium
District Manager	1%	0.3%	0.5%	1%
Unit Manager	3%	0.7%	1%	3%
Life Planner	20%	9%	13.5%	21%
Awards & Recognition	1%	-	-	-
Total	25%	10%	15%	25%

PA = Personal Accident; CBU = Commercial Business Unit; P. LINES = Personal Lines

2. Corporate Solutions

Rank	GPA	GTL/GHS
	% x Premium	% x Premium
District Manager	1%	0.5%
Unit Manager	3%	1.5%
Life Planner	20%	8%
Awards & Recognition	1%	Nil
Total	25%	10%

GPA = Group Personal Accident; GTL = Group Term Life; GHS = Group Hospitalization & Surgical

3. Mortgage & Private Retirement Scheme (PRS)

Rank	Mortgage	Private Retirement Scheme (PRS)
	% x Premium	% x Premium
District Manager	0.05%	5.4%
Unit Manager	0.1%	12.6%
Life Planner	0.35%	72%
Awards & Recognition	Nil	10%
Total	0.5%	100%

Note: Old block of business (submitted before 1 December 2013) and renewals from old block of businesses will follow the old compensation scheme.

