

# AGENCY COMPENSATION HANDBOOK

Version 7.2



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**MESSAGE FROM BEN NG, CEO, AIA BHD.**

Dear AIA Life Planners,

It brings me great pleasure to announce the release of this Agency Compensation Handbook version 7.0. It has been two years since the implementation of the Balanced Scorecard (BSC) and we have seen significant changes in the way insurance and Takaful industries have carried out their businesses for the better, with its main emphasis being the quality of service and professionalism of Life Planners. This is crucial for us to have in our pursuit as we Propel to become the Next Gen Agency. This handbook is a testament to our commitment to further engage you – our agency force, by providing you with better guidance.

This handbook marks a new year and a new era, as we continue to ensure that in driving productive and professional Life Planners, many more Malaysians and their loved ones will reap the benefits of a secure and financially protected life. This updated version will ensure that our internal policies and practices align with the BSC and outlines our commitment to be a professional agency force of the highest ethical standards. Thus, use this guide to help you gain a better understanding of the remuneration and benefits available for every Life Planner.

I believe that this handbook can empower you in our collective journey of helping more Malaysians live Healthier, Longer, Better Lives. I strongly encourage you to read and understand the information found in this handbook as you grow with AIA Malaysia.

Best wishes,

A handwritten signature in black ink, appearing to be 'Ben Ng', written in a cursive style.

Ben Ng  
Chief Executive Officer, AIA Bhd.

**MESSAGE FROM LEONG CHEE SOONG, CADO, AIA BHD.**

Dear AIA Life Planners,

I am glad to announce the release of this Agency Compensation Handbook version 7.0. This updated version will serve as an important guide to help you gain a better understanding of the remuneration and benefits available for every Life Planner. This year, we incorporated a few key changes on Balanced Scorecard namely on the KPIs and Bonus structure.

Agency Force continues to thrive despite the changes in the industry landscape which reflects your commitment towards the growth of AIA Malaysia. It is essential that Life Planners display top notch professionalism. Thus, we will continue to push through our mission in becoming the Most Professional and Productive Agency Force and our vision of becoming Malaysia's First Choice of Health, Wealth and Protection Partner, in line with our pursuit to Propel to the Next Gen Agency.

This handbook is designed to act as a guide for Life Planners to ensure continuous professional development and maintain a strong focus on ethical conduct of our Agency Force. Our goal to achieve steady growth on a year to year basis remains steadfast and this can only be realized through our four-pronged strategic approach and of which quality recruitment, product enhancement and customer centricity as our utmost priority. These four strategic approaches will drive the professionalism, productivity, growth and sustainability of the agency business.

I urge you to spend the time to read and fully understand the administration module to keep abreast with current policies especially the compensation module as the schemes maps out the remuneration and benefits and for all levels of our agency force. I assure you that you will be rewarded for your professionalism, productivity and commitment towards driving the growth in AIA. By staying true to our vision, I have no doubt that AIA will be the number one choice for all Malaysians.

Best wishes,

A handwritten signature in black ink, appearing to be 'LCS' with a stylized flourish.

Leong Chee Soong  
Chief Agency Distribution Officer, AIA Bhd.

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## DISCLAIMER

1. This Agency Administration and Compensation Handbook sets out the general guidelines on the rules, policies and procedure for Agency Leaders and Life Planners ('Administration and Compensation Rules').
2. This Agency Administration and Compensation Handbook is strictly for Internal Circulation only and is not for public viewing.
3. Treat this handbook as strictly 'Confidential'.
4. AIA 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 and Compensation Handbook as and when deemed necessary, with notification to the agency force from time to time.



# **ADMINISTRATION MODULE**



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# **1.0**

# **ADMINISTRATION**

# **– GENERAL PROVISIONS**

## 1.0. ADMINISTRATION – GENERAL PROVISIONS

### 1. Life Planner (LP):

- 1.1. Equivalent to “Agent” as per Bank Negara Malaysia’s (BNM) definition.
- 1.2. Refers to an agent contracted with AIA of All Ranks inclusive of Agency Leaders who are under the Agency Distribution Channel (Life and Takaful)
- 1.3. Refers to the following but not limited to:
  - 1.3.1. New Life Planner (NLP)
  - 1.3.2. Life Planner (LP)
  - 1.3.3. Assistant Unit Manager (AUM)
  - 1.3.4. Unit Manager (UM)
  - 1.3.5. District Manager (DM)
  - 1.3.6. Direct Appointed Unit Manager (DAUM)
  - 1.3.7. Direct Appointed District Manager (DADM)

### 2. New Life Planner (NLP):

- 2.1. Refers to an agent in their 1<sup>st</sup> and 2<sup>nd</sup> year of contract with AIA.

Example:

- A Life Planner whom are contracted in July 2020 will be recognized as a **New Life Planner** until end of 2021 (i.e. end of December 2021).
- A Life Planner whom are contracted in December 2020 will be recognized as a **New Life Planner** until end of 2021 (i.e. end of December 2021).

- 2.2. Life Planners whom are re-contracted with AIA **after 5 years** from their last Termination Date can be reclassified as New Life Planner.
- 2.3. **Totally New Life Planner (TNLP)** refers to a Life Planner that are totally new in the industry (i.e. first-time being contracted as an insurance agent in their lifetime).
- 2.4. **New Recruit (NR)** refers to a Life Planner in their 1<sup>st</sup> year of contract with AIA.

### 3. Existing Life Planner (ELP):

- 3.1. Refers to an agent in their 3<sup>rd</sup> year of contract with AIA onwards.

### 4. Agency Leader (or Leader):

- 4.1. Refers to the following but not limited to:
  - 4.1.1. Unit Manager (UM)
  - 4.1.2. District Manager (DM)
  - 4.1.3. Direct Appointed Unit Manager (DAUM)
  - 4.1.4. Direct Appointed District Manager (DADM)
- 4.2. Assistant Unit Manager (AUM) is **NOT** considered as an Agency Leader.

### 5. Direct Appointed Leader (DAL):

- 5.1. Refers to the following:
  - 5.1.1. Direct Appointed Unit Manager (DAUM)
  - 5.1.2. Direct Appointed District Manager (DADM)

**6. Newly Appointed Leader (NAL):**

6.1. Refers to a Life Planner that has been recently promoted to Unit Manager or District Manager rank.

**7. Appointment (or Promotion):**

7.1. Refers to Life Planners who have met the appointment criteria to a higher rank.

**8. Downgrade (or Demotion):**

8.1. Refers to Leaders or AUM who are unable to meet the MOC requirements as per the preset quota and are downgraded to a lower rank.

**9. Reappointment:**

9.1. Applicable to Agency Leaders (UM/DM) who have been downgraded and wishes to regain his/her former position within the same calendar year of downgrading.

**10. Reinstatement:**

10.1. Applicable to Life Planners who have been terminated and returns to AIA within 12 months from the Termination Date.

**11. Rejoined Life Planner (RLP):**

11.1. Refers to a Life Planner who have been terminated and returns to AIA **after 12 months** from the Termination Date.

11.2. Refers to a Life Planner who has been reinstated more than two (2) times.

**12. Personal Sales:**

12.1. Refers to new business/policies/production captured by the individual Life Planner or Agency Leader own self.

12.2. Personal Sales ANP/ANC refers to Personal Sales of the individual Life Planner or Agency Leader own self.

**13. Direct Team:**

13.1. Refers to the downline Life Planners and AUMs who are directly reporting (i.e. one level downline) to an UM rank.

13.2. Refers to the downline Life Planners, AUMs and UMs who are directly reporting (i.e. one level downline) to a DM rank.

13.3. Direct Team ANP/ANC refers to Personal Sales of the UM/DM + Personal Sales of the UM/DM's Direct Team.

**14. Indirect Team**

14.1. Refers to the DM's downline UM's Direct Team.

14.2. Indirect Team ANP/ANC refers to Personal Sales of the downline UM + Personal Sales of the downline UM's Direct Team.

**15. District Group:**

15.1. Refers to the DM's Direct Team + Indirect Team.

15.2. District Group ANP/ANC refers to Personal Sales of the DM + Personal Sales of the DM's Direct Team + Personal Sales of the downline UM + Personal Sales of the downline UM's Direct Team.

**16. Persistency Rate (PR):**

16.1. PR is used as one of the qualifying criteria for compensation, convention, contest or incentives and MOC.

16.2. Personal Sales PR – Evaluated based on Personal Sales business; applicable to all Life Planners.

16.3. Direct Team PR – Evaluated based on Direct Team business; applicable to UM and DM.

16.4. District Group PR – Evaluated based on District Group business; applicable to DM.

16.5. PR is evaluated based on annual basis (i.e. from 1<sup>st</sup> January to 31<sup>st</sup> December + additional grace period of 15 calendar days).

16.6. PR Formula for D0 Persistency Rate (D0 PR):

$$\text{D0 PR} = \frac{\text{B0}}{\text{A0}}$$

16.6.1. D0 PR is referred to as Year 0 or current year PR equivalent to 12 months or less.

16.6.2. A0 = Total annualized premium of new policies captured within the current year.

16.6.3. B0 = Total annualized premium of A0 policies has been paid to date from the policies' commencement or captured date before the persistency run.

16.6.4. Premium paid is less than or equals to 12 months.

16.7. PR Formula for D1 Persistency Rate (D1 PR):

$$D1\ PR = \frac{B1}{A1}$$

16.7.1. D1 PR is referred to as Year 1 PR.

16.7.2. A1 = Total annualized premium of new policies captured last year.

16.7.3. B1 = Total annualized premium of A1 policies has been paid for the first 12 months before the persistency run.

16.8. PR Formula for D2 Persistency Rate (D2 PR):

$$D2\ PR = \frac{B2}{A2}$$

16.8.1. D2 PR is referred to as Year 2 PR.

16.8.2. A2 = Total annualized premium of new policies captured last 2 years.

16.8.3. B2 = Total annualized premium of A2 policies have been paid for the first 24 months before the persistency run.

17. New D1 Persistency for Newly Promoted Leaders

- 17.1. Effective from 1 January 2019 onwards, newly promoted leaders (UM/DM) are subject to the new D1 PR based on the new Direct Team and/or District Group hierarchy.
- 17.2. This will be applicable to leaders promoted from 1 January 2019 onwards and applicable for **ALL** requirements related to contract, compensation, incentives, rewards & recognition.
- 17.3. This new requirement will only impact the newly promoted leaders' first year of promotion.
- 17.4. From subsequent year onwards (i.e. 2<sup>nd</sup> year onwards), the default D1 PR calculation will be applicable.
- 17.5. Changes and Comparison for Newly Promoted DM's Persistency:

For Newly Promoted District Manager (DM) with Appointment Date on 1 January 2019 Onwards	
Past Practice	New Practice Effective 1 January 2019 Onwards
<ul style="list-style-type: none"> <li>• D0 PR = Based on the current District Group hierarchy</li> <li>• D1 PR = Not available</li> </ul>	<ul style="list-style-type: none"> <li>• D0 PR = Based on the current District Group hierarchy.</li> <li>• <b>D1 PR = Based on <u>current District Group hierarchy</u> after promotion.</b></li> </ul>

17.6. Illustration for District Group D1 PR Calculation:

Life Planner	Mother DM			Newly Promoted DM		
	Total Persistency Premium (B1)	Total Annualized Premium (A1)	Personal D1 PR	Total Persistency Premium (B1)	Total Annualized Premium (A1)	Personal D1 PR
Life Planner 1	5,000	10,000	50.00%			
Life Planner 2	90,000	90,000	100.00%			
Life Planner 3	36,000	40,000	90.00%	36,000	40,000	90.00%
Unit Manager 1	60,000	80,000	75.00%	60,000	80,000	75.00%
Unit Manager 2	80,000	100,000	80.00%			
Unit Manager 3	120,000	150,000	80.00%	120,000	150,000	80.00%
<b>District Group D1 PR</b>	<b>391,000</b>	<b>470,000</b>	<b>83.19%</b>	<b>216,000</b>	<b>270,000</b>	<b>80.00%</b>

Explanation:

Mother DM has 3 UMs and 3 LPs under his/her District Group.

UM 1 has been promoted to DM rank with UM 3 and LP 3 is the new DM's immediate downline LPs.

The newly promoted DM's District Group D1 PR is as follows:

$$District\ Group\ D1\ PR = \frac{B1}{A1} = \frac{36K + 60K + 120K}{40K + 80K + 150K} = \frac{216K}{270K} = 80.00\%$$

17.7. Changes and Comparison for Newly Promoted UM's Persistency

For Newly Promoted Unit Manager (UM) with Appointment Date on 1 January 2019 Onwards	
Past Practice	New Practice Effective 1 January 2019 Onwards
<ul style="list-style-type: none"> <li>D0 PR = Based on the current Direct Team hierarchy</li> <li>D1 PR = Not available</li> </ul>	<ul style="list-style-type: none"> <li>D0 PR = Based on the current Direct Team hierarchy.</li> <li><b>D1 PR = Based on <u>current Direct Team hierarchy</u> after promotion.</b></li> </ul>

17.8. Illustration for Direct Team D1 PR Calculation:

Life Planner	Mother UM			Newly Promoted UM		
	Total Persistency Premium (B1)	Total Annualized Premium (A1)	Personal D1 PR	Total Persistency Premium (B1)	Total Annualized Premium (A1)	Personal D1 PR
Life Planner 1	5,000	10,000	50.00%			
Life Planner 2	90,000	90,000	100.00%			
Life Planner 3	35,000	40,000	87.50%	35,000	40,000	87.50%
Life Planner 4	72,000	80,000	90.00%	72,000	80,000	90.00%
Life Planner 5	85,000	100,000	85.00%	85,000	100,000	85.00%
<b>Direct Team D1 PR</b>	<b>287,000</b>	<b>320,000</b>	<b>89.69%</b>	<b>192,000</b>	<b>220,000</b>	<b>87.27%</b>

Explanation:

Mother UM has 5 LPs under his/her Direct Team.

LP 5 has been promoted to UM rank with LP 3 and LP 4 is the new UM's immediate downline LPs.

The newly promoted UM's Direct Team D1 PR is as follows:

$$Direct\ Team\ D1\ PR = \frac{B1}{A1} = \frac{35K + 72K + 85K}{40K + 80K + 100K} = \frac{192K}{220K} = 87.27\%$$

18. Cases:

18.1. Refers to all new policies approved/captured/set in-forced within the respective qualifying period.

18.2. Refers to Life and Takaful regular life annualized first year premium, single premium and additional case count generated from the increase of premium within the year.

Example:

- Life Planner captured 2x Life regular premium cases, 1x Takaful regular premium case, and 1x Takaful single premium case.
- Total case count = 2 + 1 + 1 = 4 cases.

19. Life:

19.1. Refers to Conventional Life insurance policies.

20. Takaful:

20.1. Refers to Family Takaful certificates.

21. Continuing Professional Development (CPD):

21.1. Refers to training requirements as according to LIAM/MTA/PIAM's guideline.

22. Yearly:

22.1. Refers to the annual calendar years (i.e. 1<sup>st</sup> January until 31<sup>st</sup> December).

22.2. Refers to AIA's Financial Year which was announced and realigned effective from 2018 onwards.

23. Quarterly:

23.1. Quarter 1 (Q1): 1<sup>st</sup> January – 31<sup>st</sup> March

23.2. Quarter 2 (Q2): 1<sup>st</sup> April – 30<sup>th</sup> June

23.3. Quarter 3 (Q3): 1<sup>st</sup> July – 30<sup>th</sup> September

23.4. Quarter 4 (Q4): 1<sup>st</sup> October – 31<sup>st</sup> December

24. IBFIM-TBE:

24.1. Refers to Islamic Banking and Finance Institute Malaysia – Takaful Basic Examination.

**25. LIAM/MTA Status – Referred Listing:**25.1. Category 1:

A Life Planner or Agency Leader who has breached the Code of Ethics and Conduct, committing criminal breach of trust, violating the LIAM/MTA rules and regulations/resolutions, found guilty of cheating or impersonation in the Pre-Contract Examination.

25.2. Category 2:

A Life Planner or Agency Leader who is placed under this category for breaches other than listed in Category 1.

25.3. Category 3:

A Life Planner or Agency Leader who that has been adjudicated bankrupt or those with outstanding loans/owing money to the company.

25.4. Category 4:

An individual that have not registered with any insurance company and LIAM/MTA that are selling Life insurance.

**26. The Company / AIA / AIA Malaysia Entity:**

26.1. Refers to AIA Bhd., AIA PUBLIC Takaful Berhad, AIA Pension and Asset Management Sdn. Bhd. and AIA General Berhad.

**27. Provident Fund** refers to:

27.1. Refers to the entitlement based on the requirements that will be credited to respective qualifier's Provident Fund accounts.

27.2. For **Individual Life** business lines:

27.2.1. Only applicable for in-forced Life Planners and Agency Leaders with AIA Berhad who holds an active and valid **LIAM** license.

27.2.2. All provident fund derived from **Individual Life** business lines will be credited to the following respectively based on their requirements:

27.2.2.1. Malaysia Agent Provident Fund (MAPF)

27.2.2.2. Manager Direct Provident Fund (MDPF)

27.2.2.3. Manager Indirect Provident Fund (MIPF)

27.3. For **Family Takaful** business lines:

27.3.1. Only applicable for in-forced Life Planners and Agency Leaders with AIA PUBLIC Takaful Berhad who holds an active and valid **MTA** license.

27.3.2. All provident fund derived from **Family Takaful** business lines will be credited to the following respectively based on their requirements:

27.3.2.1. Takaful Agent Provident Fund (TAPF)

27.3.2.2. Takaful Manager Direct Provident Fund (TMDPF)

27.3.2.3. Takaful Manager Indirect Provident Fund (TMIPF)

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# **2.0**

# **LICENSING**

## 2.0. LICENSING

### 2.1. EXAMINATION AND LICENSING

No.	License	Examination	Fees	
			Manual	Computer Based
1	Life	PCE (A+C)	RM 55	RM 85
		PCE (C)	RM 40	RM 80
2	Investment-Linked	CEILLI	RM 75	RM 100
3	Life + Investment-Linked	PCIL (PCEIA + CEILLI)	RM 100	RM 140
4	General Insurance	PCE (A+B)	RM 55	RM 85
		PCE (B)	RM 40	RM 80
5	Takaful	TBE – Life (A+C)	-	RM 80
6	Private Retirement Scheme	PRS Exam	<b>Manual: RM 170</b> <i>(Inclusive of exam and registration for first time registrants and those who are re-sitting for the exam only)</i>	

**Note:**

- 1) All fees are no longer subject to SST.
- 2) Exam fees are subject to change by the respective examination body.
- 3) All candidates need to pass the relevant examinations pertaining to their preferred line of business prior to soliciting any new business.

### 2.2. ENTRY REQUIREMENTS

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

#### 1. Rules:

- 1.1. Potential candidates need to pass the relevant examinations pertaining to their preferred line of business prior to soliciting any new business.
- 1.2. Registration for PCE, CEILLI and TBE can be done via Agency Registration or directly with the examination board.
- 1.3. Registration of PRS exam must be done via APAM Sdn. Bhd.
- 1.4. Payment is to be made via postal order/bank draft upon submission of the registration form:
- 1.5. PCE/CEILLI enrollment – issued to “The Malaysian Insurance Institute”.
- 1.6. TBE enrollment – Issued to “IBFIM-TBE”.
- 1.7. PRS examination – commission deduction at a fee of **RM 170** for each examination sitting.
- 1.8. All examination fees are **NOT** reimbursable.



## 2.3. DILIGENCE CHECKING

1. **Applicable to:** All potential Life Planners.

2. **Requirements:**

- 2.1. All appointment of Life Planners is within the regulatory and statutory requirements of AIA and are required to go through diligence checking consisting of:
  - 2.1.1. Financial background check.
  - 2.1.2. Regulatory bodies status check.
  - 2.1.3. LIMRA Career Choice Report.
  - 2.1.4. IFACs – Anti Money Laundering and Anti-Terrorist check.
- 2.2. Only candidates who have passed the initial diligence checking above can be contracted as Life Planners.
- 2.3. All appointment of Direct Appointed Leaders and Life Planners for any Financing Scheme or programs, their spouse is required to go through diligence checking of Regulatory bodies status check.
- 2.4. Only candidates with spouse who passed the above can be contracted as Direct Appointed Leaders and Life Planners under any Financing Scheme or programs.

3. **Rules:**

- 3.1. The following applications will be rejected:
  - 3.1.1. The applicants have been declared bankrupt.
  - 3.1.2. Unhealthy financial standing namely unsettled debts, large financial burden, fraud involvement and/or related offences.
  - 3.1.3. Applicants recorded under LIAM Status – Referred Listing.

Example:

- Unsettled outstanding balances with the previous insurer, committed fraud or declared bankrupt.

- 3.1.4. Unclean records found in the IFACs listings.
- 3.2. Applicants who are currently are a government official will be reviewed, evaluated and subject to approval by AIA.
- 3.3. Only applicants whom are approved by AIA can be contracted as Life Planners.

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

1. **Applicable to:** Newly contracted Life Planners.

2. **Requirements:**

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

No.	License	Regulatory Bodies	First Time Registration	License Renewal Fees
1	Life	LIAM	RM 45 for 2 years	RM 35 yearly
2	General Insurance	PIAM	RM 50 for 2 years	RM 35 every 2 years
3	Takaful	MTA	RM 30 for 2 years	RM 30 every 2 years
4	Private Retirement Scheme (PRS)	FIMM	<b>RM 73 for 1 year</b> (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) All fees are no longer subject to SST.
- 2) License fees are subject to change by the regulatory bodies.

3. **Rules:**

3.1. Registration fees for Life, Takaful, General Insurance and PRS representatives:

3.1.1. First-time and license renewal registration fees – will be deducted from Life Planner's commission account.

3.1.2. During registration to LIAM or MTA, if the Life Planner's status is found to be "Referred" or "Active" with other insurance company or Takaful operator, AIA reserves the right to terminate the Life Planner without prior notice.

3.2. Registration fees for General Insurance and PRS representatives:

3.2.1. First-time and license renewal registration fees – will be deducted from Life Planner's commission account.

3.3. Registration fees for ALC:

3.3.1. First-time and license renewal registration fees – via personal cheque to "Life Insurance Association of Malaysia".

3.3.2. First-time and license renewal registration fees – via personal cheque to "Malaysia Takaful Association".

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**3.0**

# **NEW APPOINTMENTS**

### 3.0. NEW APPOINTMENTS

#### 3.1. MANDATORY EXAMINATIONS

1. **Applicable to:** All potential Life Planners.
2. **Requirements:**
  - 2.1. All new recruits must be licensed under Life or Takaful before they can sign up other licenses.
  - 2.2. Must pass the following examinations:

Type of Exam	Products			
	Life	Takaful	Private Retirement Scheme (PRS)	General Insurance (GI)
PCE	A+C	-	-	A+B
CEILLI	✓	-	-	-
PCIL (PCEIA + CELLI)	✓	-	-	-
TBE	-	✓	-	-
PRS	-	-	✓	-

#### 3. Compulsory Documents:

No.	Compulsory Documents
1	Submit Application via AIA Recruiter
2	Recent passport size photos – (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 or still active with other insurance companies: (a) LIAM Movement of Agents (MOA) Form. (b) Resignation Letter.
7	For re-register PRS applicant from previous company: (a) Resignation Letter or Release Letter.

#### 3.2. LIFE PLANNER (LIFE AND TAKAFUL)

1. **Applicable to:** All potential Life Planners.
2. **Requirements:**
  - 2.1. Minimum 18 years old to maximum 60 years old.
  - 2.2. Entry age is calculated from date of birth till the year of appointment.

Example:

- Applicant's date of birth = 19<sup>th</sup> August 2020.
- He/she is only considered as 18 years old on 19<sup>th</sup> August 2038.

- 2.3. Completed LIMRA Career Choice Report. Only those with "Recruit" or "Actively Recruit" status will be recruited.
- 2.4. Completed First Introductory Sales Training (FIST).
  - 2.4.1. FIST **MUST** be attended and completed before the potential recruit is coded.
  - 2.4.2. FIST training only valid for 3 months from the date of completion. The candidate is required to attend the training again, if no coding application for coding is received upon expiry.
  - 2.4.3. A candidate who registered for FIST under a specific agency is **NOT** allowed to join a different agency within 3 months from the registration date.
- 2.5. Passed Sijil Pelajaran Malaysia (SPM) with at least 5 subjects passes (including Bahasa Malaysia) or any other academic qualification that is equivalent to it.
- 2.6. Passed PCE (A+C).
- 2.7. Passed CEILLI (for transacting Investment-Linked products).
- 2.8. Passed TBE exam (for Takaful applications).
- 2.9. **NOT** a bankrupt, convicted of serious fraud, heavily in debt or blacklisted.
- 2.10. Non-Malaysians holding Permanent Resident (PR) status can be contracted as Life Planners. Proof of PR status must be provided as supporting document during application.

**3. Rules:**

- 3.1. Agency Leaders **MUST** ensure accuracy of information in the New Life Planner application form before submission.
- 3.2. Once the Life Planner has been contracted, **NO** changes are allowed particularly the introducer's information.
- 3.3. All required documents must be duly completed. Applications with incomplete documents will be returned for clarification and/or further action.
- 3.4. Life Planners must declare past appointment history, if any, at the time of application submission. Any dispute arising thereafter may be subjected to termination.
- 3.5. Waiting period before contracting:
  - 3.5.1. AIA Direct Marketing Telemarketing (DMTM) staff, AIA staff or AIA Shared Services – **6 months** from last termination or resignation date and vice versa.
  - 3.5.2. All staff from Public Bank (especially Ex-Bancassurance) – **12 months** from last termination or resignation date and vice versa.
  - 3.5.3. The above is only applicable for permanent staff, where contract staff, temporary staff and/or intern is excluded.
- 3.6. Life Planner that rejoined under a different agency, the waiting period before contracting is **12 months** from last Termination Date with AIA.
- 3.7. All appointment of immediate family members (i.e. parents, children and spouse) must be within the same Direct Team; relationships must be declared upon application.
- 3.8. Life Planner must be the Introducer of the appointment of his or her immediate family members (i.e. parents, children, spouse).
- 3.9. Applicants that are placed under LIAM's referred Category 1, 2 and 3 are strictly **NOT** allowed to be contracted as Life Planners.
- 3.10. Applicants under Category 3 can only be appointed after the "Referred" status in LIAM system is lifted.
- 3.11. Submission of new business cases are only allowed once the New Life Planner appointment with AIA is confirmed and updated into the system.

**3.3. DIRECT APPOINTED UNIT MANAGER (DAUM) AND DIRECT APPOINTED DISTRICT MANAGER (DADM)**

**1. Requirements:**

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

**2. Compulsory Documents:**

No.	Forms	DAUM	DADM
1	Recruiting leader's recommendation letter	✓	-
2	Direct Appointment Application Form	✓	✓
3	Referee Check	✓	✓
4	Confirmation or Appointment Letter from previous company (with proof of designation)	✓	✓
5	DADM/DAUM Leader Interview Guide Form	✓	✓

**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. The applicant must provide proof of resignation or release letter from previous company employment before coding.
- 3.4. AIA 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.

### 3.4. AGENCY LEADER CORPORATION (ALC)

1. **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 Documents:**

No.	Compulsory Documents
1	ALC Application Form.
2	Certificate of Incorporation of the company.
3	Memorandum of Articles.
4	List of Shareholders.
5	Form 6 – Declaration of Compliance.
6	Form 11 – Notice of Resolution (if changes are made to the Memorandum and Articles of Association).
7	Form 24 – Return of Allotment of Shares.
8	Form 44 – Notice of Situation of Registered Office of Office Hours and Particulars of Changes.
9	Form 48A – Statutory Declaration by a Person before Appointment as Director, or by a Promoter before Incorporation of Corporation.
10	Form 49 – Return giving particulars in register of Managers and Secretaries and changes of particulars.
11	Photocopy of the Company's Bank Account statement.

**Note:**

1) The above documents from item 2 to 11 are required to be duly certified by the company secretary.

### 3. Rules:

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

### 3.5. PRIVATE RETIREMENT SCHEME (PRS)

1. **Applicable to:** All Life Planners with active Life or Takaful license.
2. **Requirements:**

- 2.1. Minimum 21 years old to maximum 60 years old.
- 2.2. Entry age is calculated from date of birth till the year of appointment.

**Example:**

- Applicant's date of birth = 19<sup>th</sup> August 2020.
- He/she is only considered as 21 years old on 19<sup>th</sup> August 2041.

- 2.3. Have obtained credits in any 3 subjects in SPM or its equivalent, MCE or any other equivalent or higher academic qualification as determined by FIMM.
- 2.4. Passed PRS exam **OR** submitted re-register application.
- 2.5. **NOT** an undischarged bankrupt, subjected to bankruptcy proceedings or has failed to meet any judgment debt.
- 2.6. **NOT** convicted of any criminal offence either locally or abroad.
- 2.7. **NOT** censured or reprimanded by any professional or trade body.
- 2.8. **NOT** denied or disqualified from memberships in any professional or trade body.

**3. Compulsory Documents:**

No.	Compulsory Documents
1	Application Form for Registration of Private Retirement Scheme Examination (PRS Exam).
2	Statutory Declaration Form for new registration or re-registration.
3	Photograph Format Form.
4	Commission Deduction Authorization Form.
5	APAM Application Form.
6	APAM Contract: (a) Life Planner – requires APAM Agent Contract. (b) Unit Manager – requires APAM Agent Contract <b>AND</b> APAM Unit Manager Contract. (c) District Manager – requires APAM Agent Contract <b>AND</b> APAM District Manager Contract.
<b>Note:</b>	
1) If there is any incomplete supporting documentation, the application will be returned for clarification and further action.	

**4. Rules:**

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

**3.6. GENERAL INSURANCE (GI)**

1. **Applicable to:** All Life Planners with active Life or Takaful license.

**2. Requirements:**

2.1. Passed PCE (A+B).

2.2. Method of soliciting GI:

2.2.1. Individual.

2.2.2. Private Limited Company (PLC).

**3. Compulsory Documents:**

No.	Compulsory Documents	Individual	Private Limited Company (PLC)
1	Form A – Registration of Business	✓	-
2	Form B – Change in Business Registration	✓	-
3	Form D – Business License	✓	-
4	Form 9 – Incorporation of Company	-	✓
5	Latest Annual Return	-	✓
6	Form 24 – Return of Allotment of Shares	-	✓
7	Form 49 – Directors, Managers and Secretaries	-	✓
8	Form 32A – Transfer of Shares	-	✓
9	Memorandum and Articles of Association	-	✓
10	NRIC of all Shareholders	-	✓
11	NRIC of Directors	-	✓
12	MII membership certificate (partner/corporate nominee/director)	✓	✓
13	PIAM Registration Certificate (for inclusion as 2nd Principal)	✓	✓
14	NRIC of Corporate Nominee	✓	✓
15	FEC Letter of Undertaking	✓	✓
16	Consent Letter for Screening	✓	✓

**4. Rules:**

4.1. All Life Planners intending to sell GI products are required to first join Life Insurance business line.

4.2. Application with incomplete supporting documentation will be returned for clarification and further action.

4.3. All shareholders must have PIAM license.

**4.0**

**APPOINTMENT TO HIGHER  
RANK**



## 4.0. APPOINTMENT TO HIGHER RANK (OR PROMOTION)

### 4.1. ASSISTANT UNIT MANAGER (AUM)

1. **Applicable to:** New Life Planners (NLP) and Life Planners (LP).
2. **Frequency:** Quarterly.
3. **Appointment Date:**
  - 3.1. 1<sup>st</sup> January
  - 3.2. 1<sup>st</sup> April
  - 3.3. 1<sup>st</sup> July
  - 3.4. 1<sup>st</sup> October.

#### 4. Appointment Criteria:

No.	Qualifying Criteria	Requirements
1	TPC – Personal Sales Production	RM 120,000 TPC
2	Production Period	Last 12 months
3	<b>Manpower Meeting MOC</b> (by one level downline only)	2
4	<b>D1 Persistency Rate (D1 PR)</b> (by Personal Sales)	85%
5	<b>Training</b> (prior to appointment)	LEAD

#### Notes:

- 1) All training course fees are not reimbursable.
- 2) Production refers to the applicant's own Personal Sales.
- 3) Only manpower from immediate one level downline Life Planners whom are introduced by the applicant is counted:
  - a) All manpower must meet MOC to be counted.
  - b) The applicant own self is **NOT** counted as manpower.
  - c) Only maximum one (1) immediate family members (i.e. parents, children and spouse) can be counted as manpower.
- 4) Personal Sales Production refers to the applicant's own Personal Sales only.
- 5) D1 PR is based on the applicant's own Personal Sales from Life and Takaful business lines.
- 6) An applicant who is a New Life Planner (NLP) without D1 PR, he/she must meet D0 PR  $\geq$  85% as a requirement.
- 7) Each NLP without D1 PR must meet D0 PR  $\geq$  85% to be counted as manpower for promotion purposes.

#### 5. Rules:

- 5.1. **NO** minimum service period is required.
- 5.2. The candidate must fulfill all the AUM qualifying requirements before the quarterly review in order to be appointed.
- 5.3. Introducer's information in the applicant's New Life Planner application form is final, subsequent changes will not be entertained.
- 5.4. Only production for approved cases will be taken into consideration.
- 5.5. All mandatory training programs must be completed prior to appointment.
- 5.6. For quarterly appointment, production is counted from the **last 12 months** prior to the Appointment Date.
- 5.7. The appointment criteria must be achieved in full (i.e. equivalent to the quota or more).

**4.2. UNIT MANAGER (UM)**

1. **Applicable to:** New Life Planner (NLP) Life Planners (LP) and Assistant Unit Managers (AUM).
2. **Frequency:** Yearly.
3. **Appointment Date:** 1<sup>st</sup> January.
4. **Appointment Criteria:**

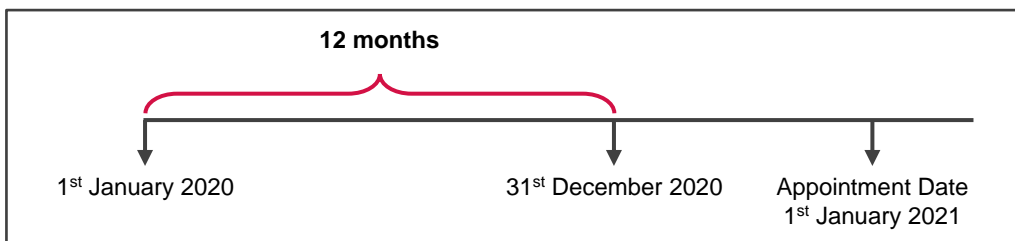
No	Qualifying Criteria	Qualification Period	Requirements
1	Service Period	Last 24 months	24 months
2	<b>Number of Cases</b> (by Personal Sales)		24 cases
3	<b>Training</b> (prior to appointment)		Basic Agency Management Course Plus (BAMC+) <b>OR</b> EPL – Emerging Leaders’ Course (ELC)
4	TPC – Direct Team Production	Last 12 months	RM 300,000 TPC
5	TPC – Personal Sales Production		RM 60,000 TPC
6	<b>Manpower Meeting MOC</b> (by Direct Team)		<b>6</b> (with at least consist of 1 AUM)
7	<b>D1 Persistency Rate (D1 PR)</b> (by Personal Sales)		85%

**Notes:**

- 1) All training course fees are not reimbursable
- 2) Manpower includes direct and indirect manpower:
  - a) Indirect refers to manpower introduced by downlines.
  - b) All manpower must meet MOC to be counted.
  - c) The applicant own self is **NOT** counted as manpower.
  - d) Only maximum one (1) immediate family members (i.e. parents, children and spouse) can be counted as manpower.
- 3) Direct Team Production refers to production from the applicant’s own Personal Sales and all his/her downlines (direct or indirect) who will be placed under the new UM’s code after the appointment.
- 4) Personal Sales Production refers to the applicant’s own Personal Sales only.
- 5) D1 PR is based on the applicant’s own Personal Sales from Life and Takaful business lines.
- 6) Each NLP without D1 PR must meet D0 PR ≥ 85% to be counted as manpower for promotion purposes.
- 7) Service Period – For NLP, LP or AUM 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 an agent in the insurance industry with proof of record from LIAM/MTA.

**5. Rules:**

- 5.1. Service period of **24 months** is calculated from the applicant’s contracted date with AIA.
- 5.2. Appointment Date is strictly based on the actual contract date updated in the system.
- 5.3. Only production for approved cases will be taken into consideration.
- 5.4. The production period is defined as **last 12 months** prior to the Appointment Date.
- 5.5. Illustration:



- 5.6. The applicant must attend and pass either one (1) of the following prior to appointment:
  - 5.6.1. Basic Agency Management Course Plus (BAMC+) **OR**;
  - 5.6.2. EPL – Emerging Leaders’ Course (ELC).
  - 5.6.3. **Note for BAMC+ only:** If the training has exceeded 2 years prior to appointment, the applicant is required to attend an additional Refresher Course.
- 5.7. Life Planners recruited by the newly appointed UM but **NOT** included in the UM application form will **NOT** be transferred to the UM after appointment.
- 5.8. Applicants must be a full-time manager with AIA and should **NOT** have any salaried job or income from elsewhere.

**4.3. DISTRICT MANAGER (DM)**

1. **Applicable to:** Unit Manager (UM).
2. **Frequency:** Yearly.
3. **Appointment Date:** 1<sup>st</sup> January.
4. **Appointment Criteria:**

No	Qualifying Criteria	Requirements
1	Service Period	36 months as UM rank
2	TPC – District Group Production (including one level direct UM)	RM 1,000,000 TPC
3	Production Period	Last 24 months
4	<b>One Level Downline UM meeting MOC</b> (exclude DAUM and spouse UM)	2
5	<b>District Manpower – Life Planners and AUMs meeting MOC</b>	10
6	<b>D1 Persistency Rate (D1 PR)</b> (by Direct Team)	85%
7	<b>Training</b> (prior to appointment)	LIMRA Pacesetter 2.0

**Notes:**

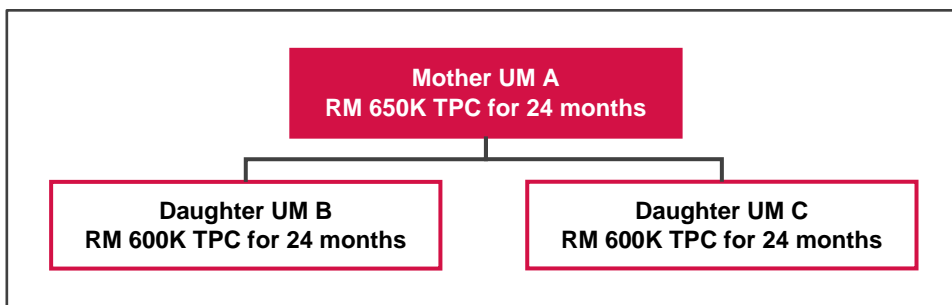
- 1) All training course fees are not reimbursable
- 2) Manpower includes direct and indirect manpower from one level downline UM:
  - a) Indirect refers to manpower introduced by downlines.
  - b) All manpower must meet MOC to be counted.
  - c) The applicant own self is **NOT** counted as manpower.
  - d) Only maximum one (1) immediate family members (i.e. parents, children and spouse) can be counted as manpower.
- 3) One level downline UM refers to an UM whom are directly recruited by the applicant:
  - a) Excludes DAUM and spouse UM.
  - b) UM who has been recruited by the applicant’s one level downline that are subsequently terminated will be rolled-up and counted as the applicant’s Direct Team.
- 4) District Group Production refers to production from applicant’s own Personal Sales, one level downline UMs, and all downlines (direct or indirect) who will be placed under the new DM’s code after the appointment.
- 5) D1 PR is based on the applicant’s Direct Team sales from Life and Takaful business lines.
- 6) Each NLP without D1 PR must meet D0 PR ≥ 85% to be counted as manpower for promotion purposes.
- 7) Service Period – For DAUM applying for DM appointment, they must have at least 36 months Service Period as an UM in the insurance industry with proof of record from LIAM/MTA.

4.1. Production from the Daughter UM (i.e. one level downline UM) whom were appointed prior to the applicant’s DM appointment will be counted for the District Group Production.

Example:

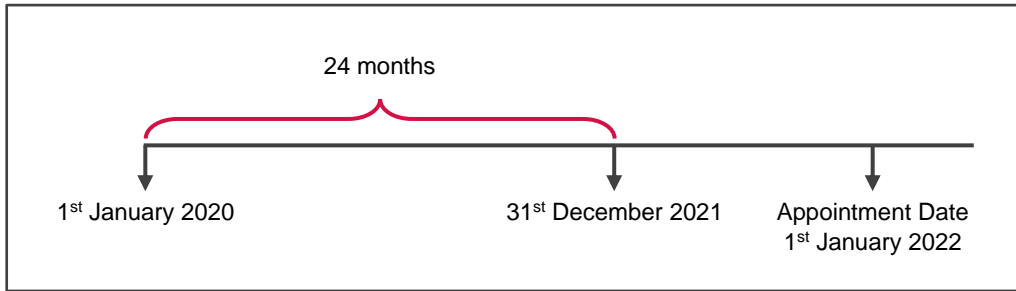
- Mother UM A (RM 650K) + Daughter UM B (RM 600K) + Daughter UM C (RM 600K) = RM 1,850,000 TPC

4.2. Illustration:



**5. Rules:**

- 5.1. Service period of **36 months** is calculated from the applicant’s contracted date as UM rank with AIA.
- 5.2. Appointment Date is strictly based on the actual contract date updated in the system.
- 5.3. Only production for approved cases will be taken into consideration.
- 5.4. The production period is defined as **last 24 months** prior to the Appointment Date.
- 5.5. Illustration:

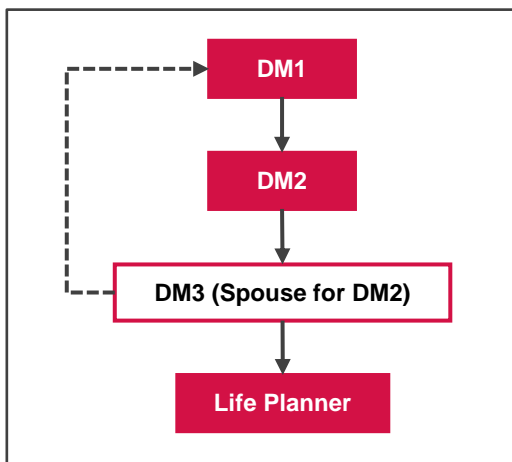


- 5.6. The applicant must attend and pass the LIMRA Pacesetter 2.0 prior to appointment.
- 5.7. Life Planners recruited by the newly appointed DM but **NOT** included in the DM application form will **NOT** be transferred to the DM after appointment.
- 5.8. Applicants must be a full-time manager with AIA and should **NOT** have any salaried job or income from elsewhere.

**4.4. SPOUSE PROMOTION**

**1. Rules:**

- 1.1. A spouse who is appointed to UM or DM will be placed under the Grandmother DM.
- 1.2. Illustration:



- 1.3. If an UM wish to remain under the hierarchy of his/her spouse DM2 after appointment:
  - 1.3.1. The applicant is required to attend an interview session for evaluation purposes.
  - 1.3.2. The panel of interviewers will comprise of:
    - 1.3.2.1. Immediate upline DM of the spouse (DM1).
    - 1.3.2.2. Chief Agency Officer (CAO).
    - 1.3.2.3. Branch Manager.
    - 1.3.2.4. Two (2) Agency Leaders from other agencies.
  - 1.3.3. Such application must be forwarded through the respective DOAs.
  - 1.3.4. The management shall evaluate the outcome of the interview and reserves its absolute discretion to approve or to reject such arrangement.
  - 1.3.5. The interview evaluation is subject to approval from CEO and CADO.
  - 1.3.6. No further appeal shall be considered for any rejected interview evaluation.
  - 1.3.7. This is only applicable to UM appointment and **NOT** for DM appointment.

**5.0**

**MAINTENANCE OF  
CONTRACT (MOC)**

## 5.0. MAINTENANCE OF CONTRACT (MOC)

1. **Applicable to:** All Ranks who are still in-forced with AIA.
2. **Review Period:** Quarterly or Yearly (refer to below on review frequency)
3. **Requirements:**

MOC Requirements	New Life Planner + Life Planner (by Personal Sales)	Assistant Unit Manager (by Personal Sales)	Unit Manager (by Direct Team)	District Manager (by District Group)
TPC	RM 30,000	RM 60,000	RM 300,000	RM 500,000
Manpower Meeting MOC	-	1 (Current Year New Recruit)	6	10
D1 Persistency Rate (D1 PR)	85%	85%	85%	80% by District Group <b>OR</b> 85% by Direct Team
CPD Training	30 hours	30 hours	30 hours	30 hours
Failure to Meet MOC	Termination	Demotion to Life Planner	Demotion to Assistant Unit Manager	Demotion to Unit Manager
Review Frequency	<b>Quarterly</b>	<b>Yearly</b>	<b>Yearly</b>	<b>Yearly</b>

### Notes:

- 1) All training course fees are not reimbursable.
- 2) Manpower includes direct and indirect manpower:
  - a) Indirect refers to manpower introduced by downlines.
  - b) All manpower must meet MOC to be counted.
  - c) The UM/DM own self is allowed to be counted as manpower, provided that they meet the Life Planner MOC (i.e. TPC  $\geq$  RM 30K, D1 PR  $\geq$  85% and CPD  $\geq$  30 hours).
  - d) All immediate family members (i.e. parents, children and spouse) can be counted as manpower.
- 3) Additional Treatment of Manpower for Leaders (i.e. UM/DM rank only):
  - a) Each Life Planner that produced RM 60K TPC will be counted as 2 headcounts.
  - b) Each UM/DM can only be allowed up to maximum 2 Life Planners under this treatment (i.e. max total 4 headcounts can be counted).
  - c) This treatment excludes the UM/DM own self that is being reviewed even if they produced RM 60K TPC.
  - d) If an UM's MOC is being reviewed, the LP that produced RM 60K TPC must be from the UM's Direct Team to be counted.
  - e) If an DM's MOC is being reviewed, the LP that produced RM 60K TPC must be from the DM's District Group to be counted.
  - f) This treatment is only applicable for annual MOC review only.
  - g) This treatment is **NOT** applicable to those with extended half-year MOC review, and any incentives or compensation where manpower is required.
- 4) Each NLP without D1 PR will be **EXEMPTED** for PR requirements to be counted for MOC review **AND** manpower purposes.
- 5) In the event of Total Permanent Disability (TPD) or Critical Illness (CI), MOC waiver may be granted for up to a maximum of 5 years only.
- 6) Newly promoted UM/DM will be subjected to D1 PR.

- 3.1. The above production and PR are an achievement of both Life and Takaful:
  - 3.1.1. New Life Planner, Life Planner or Assistant Unit Manager – Based on LP's own Personal Sales business.
  - 3.1.2. Unit Manager – Based on UM's Direct Team business (UM's own Personal Sales + Personal Sales from the UM's downline Life Planners).
  - 3.1.3. District Manager – Based on DM's District Group business (DM's own Personal Sales + Personal Sales from DM's downline Life Planners + one level downline UM's own Personal Sales + Personal Sales from the UM's downline Life Planners).
- 3.2. The training requirements are a combination of both Life and Takaful training attendance provided all mandatory trainings for both are completed. In addition, the product trainings related to different business lines are compulsory.
- 3.3. 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.
- 3.4. An automated process of termination and demotion will be adopted that will include auto-generation of termination and demotion letters to the affected agency force members whom had failed to meet the MOC requirements.
  - 3.4.1. Termination of Life Planners will be on quarterly basis:
    - 3.4.1.1. Upon notification, Life Planners will have 15 calendar days before termination.
  - 3.4.2. Demotions of AUM, UM and DM ranks will be on annual basis:
    - 3.4.2.1. Upon notification, AUM will have 15 calendar days before demotion.
    - 3.4.2.2. Upon notification, UM will have 30 calendar days before demotion.
    - 3.4.2.3. Upon notification, DM will have 30 calendar days before demotion.

4. Rules:

4.1. New Life Planner (NLP) and Life Planner (LP) Review:

- 4.1.1. Kindly refer to “Requirements” section above on MOC requirements.
- 4.1.2. New Life Planners who are contracted in their 1<sup>st</sup> and 2<sup>nd</sup> year are subject to quarterly MOC review. However, there will be no MOC review for New Life Planners, during the quarter which they are contracted.
- 4.1.3. New Life Planners and Life Planners with production below year-to-date pro-rated quota for 2 consecutive quarters will have their Life Planner’s contract reviewed and AIA may exercise its rights to terminate the contract.
- 4.1.4. Illustration:

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

4.1.5. Must complete the following CPD training requirements:

4.1.5.1. Pre-coded:

- a) Must complete FIST (CPD hours will still be counted within the first 12 months).

4.1.5.2. 1<sup>st</sup> year from Coded Date (from 1<sup>st</sup> to 12<sup>th</sup> month):

- a) Min **30 CPD hours** within the first 12 months.
- b) Mandatory Training – NA Products and Sales Compliance.

4.1.5.3. 2<sup>nd</sup> year from Coded Date (from 13<sup>th</sup> to 24<sup>th</sup> month):

- a) Min **20 CPD hours** within 13<sup>th</sup> to 24<sup>th</sup> month.
- b) Mandatory Training – LEAD.

4.1.6. Registered Financial Planner (RFP) Module:

4.1.6.1. Each **NLP and LP** must complete RFP Module 1 and 2:

- a) Must complete either one (1) of the RFP Modules (i.e. RFP Module 1 or 2) within the 4<sup>th</sup> calendar year from their Coded Date.
- b) The remaining RFP Module must be completed within the 6<sup>th</sup> calendar year from their Coded Date.
- c) Each RFP Module’s CPD hours is counted towards the respective calendar year when it is completed.

4.1.7. Failure to fulfill the **Mandatory Training, CPD Hours or RFP Modules** requirements within the specified timeframe will subsequently result in **termination** of the **NLP or LP**.

4.1.8. Terminated **NLPs or LPs** may be re-instated with the conditions that they must fulfill all the following within 12 months from their Termination Date:

4.1.8.1. Terminated due to failure to complete either the **Mandatory Training or CPD hours** requirements:

- a) Complete the “Re-instatement Compliance Module”.
- b) Submit the duly signed “Re-instatement Compliance Module Declaration Form”.
- c) Submit the duly signed “Re-instatement Request Form”.
- d) If the **NLP or LP** has also failed to complete either of the **RFP Modules** within the specified timeframe, they must complete the respective RFP Module in addition to the above (based on whichever they have failed).

4.1.9. The CPD hours are a combination of both Individual Life and Family Takaful training attendance (provided all mandatory trainings for both are completed). In addition, product trainings related to other business lines are compulsory.

4.1.10. **NLPs and LPs** who are in the **3<sup>rd</sup> calendar year onwards** from their Coded Date will be subject to min 30 CPD hours annually.

**4.2. Direct Appointed Unit Manager (DAUM) Review:**

- 4.2.1. Full manpower requirement will follow UM's requirements as provided in "Requirements" section above.
- 4.2.2. Must complete the following CPD training requirements:
- 4.2.2.1. Pre-coded:
- a) Must complete FIST (CPD hours will still be counted within the first 12 months).
- 4.2.2.2. 1<sup>st</sup> year from Coded Date (from 1<sup>st</sup> to 12<sup>th</sup> month):
- a) Min **40 CPD hours** within the first 12 months.
  - b) Mandatory Training – NA Products and Sales Compliance.
  - c) Management Training (mandatory):
    - i) Basic Agency Management Course Plus (BAMC+) – Must be completed within the first 6 months from the Appointment Date.
    - ii) EPL – Pacesetter.
- 4.2.2.3. 2<sup>nd</sup> year from Coded Date (from 13<sup>th</sup> to 24<sup>th</sup> month):
- a) Min **30 CPD hours** within 13<sup>th</sup> to 24<sup>th</sup> month.
  - b) Mandatory Training – LEAD.
- 4.2.3. Registered Financial Planner (RFP) Module:
- 4.2.3.1. Each **DAUM** must complete RFP Module 1 and 2:
- a) Must complete either one (1) of the RFP Modules (i.e. RFP Module 1 or 2) within the 4<sup>th</sup> calendar year from their Coded Date.
  - b) The remaining RFP Module must be completed within the 6<sup>th</sup> calendar year from their Coded Date.
  - c) Each RFP Module's CPD hours is counted towards the respective calendar year when it is completed.
- 4.2.4. Failure to fulfill the above **Management Training** requirements within the specified timeframe will subsequently result in **demotion** of the **DAUM**.
- 4.2.5. Demoted **DAUMs** may be re-appointed with the conditions that they must fulfill all the following:
- 4.2.5.1. Complete the respective Management Training requirement (based on whichever they have failed).
- 4.2.5.2. Provide a written notice to AIA for re-appointment.
- 4.2.6. Failure to fulfill the **Mandatory Training, CPD Hours or RFP Modules** requirements within the specified timeframe will subsequently result in **termination** of the **DAUM**.
- 4.2.7. Terminated **DAUMs** may be re-instated with the conditions that they must fulfill all the following within 12 months from their Termination Date:
- 4.2.7.1. Terminated due to failure to complete either the **Mandatory Training or CPD hours** requirements:
- a) Complete the "Re-instatement Compliance Module".
  - b) Submit the duly signed "Re-instatement Compliance Module Declaration Form".
  - c) Submit the duly signed "Re-instatement Request Form".
- If the **DAUM** has also failed to complete either of the **RFP Modules** within the specified timeframe, they must complete the respective RFP Module in addition to the above (based on whichever they have failed).
- 4.2.8. The CPD hours are a combination of both Individual Life and Family Takaful training attendance (provided all mandatory trainings for both are completed). In addition, product trainings related to other business lines are compulsory.
- 4.2.9. **DAUMs** who are in the **3<sup>rd</sup> calendar year onwards** from their Coded Date will be subject to **FULL** MOC requirements (inclusive of min 30 CPD hours annually).
- 4.2.10. All Life Planners (including downline AUM) within the Direct Team can be counted for fulfillment of production and manpower.



**4.3. Direct Appointed District Manager (DADM) Review:**

- 4.3.1. Full manpower requirement will follow DM's requirements as provided in "Requirements" section above.
- 4.3.2. Must complete the following CPD training requirements:
- 4.3.2.1. Pre-coded:
- a) Must complete FIST (CPD hours will still be counted within the first 12 months).
- 4.3.2.2. 1<sup>st</sup> year from Coded Date (from 1<sup>st</sup> to 12<sup>th</sup> month):
- a) Min **40 CPD hours** within the first 12 months.
  - b) Mandatory Training – NA Products and Sales Compliance.
  - c) Management Training (mandatory):
    - i) Basic Agency Management Course Plus (BAMC+) – Must be completed within the first 6 months from the Appointment Date.
    - ii) LIMRA Pacesetter 2.0.
- 4.3.2.3. 2<sup>nd</sup> year from Coded Date (from 13<sup>th</sup> to 24<sup>th</sup> month):
- a) Min **30 CPD hours** within 13<sup>th</sup> to 24<sup>th</sup> month.
  - b) Mandatory Training – LEAD.
  - c) Management Training – GAMA Essentials of Leadership and Management (ELM) 2.0.
- 4.3.3. Registered Financial Planner (RFP) Module:
- 4.3.3.1. Each **DADM** must complete RFP Module 1 and 2:
- a) Must complete either one (1) of the RFP Modules (i.e. RFP Module 1 or 2) within the 4<sup>th</sup> calendar year from their Coded Date.
  - b) The remaining RFP Module must be completed within the 6<sup>th</sup> calendar year from their Coded Date.
  - c) Each RFP Module's CPD hours is counted towards the respective calendar year when it is completed.
- 4.3.4. Failure to fulfill the above **Management Training** requirements within the specified timeframe will subsequently result in **demotion** of the **DADM**.
- 4.3.5. Demoted **DADMs** may be re-appointed with the conditions that they must fulfill all the following:
- 4.3.5.1. Complete the respective Management Training requirement (based on whichever they have failed).
- 4.3.5.2. Provide a written notice to AIA for re-appointment.
- 4.3.6. Failure to fulfill the **Mandatory Training, CPD Hours or RFP Modules** requirements within the specified timeframe will subsequently result in **termination** of the **DADM**.
- 4.3.7. Terminated **DADMs** may be re-instated with the conditions that they must fulfill all the following within 12 months from their Termination Date:
- 4.3.7.1. Terminated due to failure to complete either the **Mandatory Training or CPD hours** requirements:
- a) Complete the "Re-instatement Compliance Module".
  - b) Submit the duly signed "Re-instatement Compliance Module Declaration Form".
  - c) Submit the duly signed "Re-instatement Request Form".
  - d) If the **DADM** has also failed to complete either of the **RFP Modules** within the specified timeframe, they must complete the respective RFP Module in addition to the above (based on whichever they have failed).
- 4.3.8. **DADMs** who are in the **3<sup>rd</sup> calendar year onwards** from their Coded Date will be subject to **FULL** MOC requirements (inclusive of min 30 CPD hours annually).
- 4.3.9. All Life Planners (including downline AUM and UM) within the District Group can be counted for fulfillment of production and manpower.

**4.4. Unit Manager (UM) Review:**

- 4.4.1. Kindly refer to “Requirements” section above for MOC requirements.
- 4.4.2. Must complete the following CPD training requirements:
- 4.4.2.1. Pre-appointment:
- a) Must complete Basic Agency Management Course Plus (BAMC+) **OR**;
  - b) EPL – Emerging Leaders Course.
- 4.4.2.2. 1<sup>st</sup> year of appointment as an UM (from 1<sup>st</sup> to 12<sup>th</sup> month):
- a) Min **40 CPD hours** within the first 12 months.
  - b) Management Training (mandatory):
    - i) Premier Leader Management 2.0 **OR**;
    - ii) EPL – Pacesetter.
- 4.4.3. Registered Financial Planner (RFP) Module:
- 4.4.3.1. As a reminder, for **UMs** who have not yet completed RFP Module 1 and 2:
- a) Must complete either one (1) of the RFP Modules (i.e. RFP Module 1 or 2) within the 4<sup>th</sup> calendar year from their Coded Date.
  - b) The remaining RFP Module must be completed within the 6<sup>th</sup> calendar year from their Coded Date.
  - c) Each RFP Module’s CPD hours is counted towards the respective calendar year when it is completed.
- 4.4.4. Failure to fulfill the above **Management Training** requirements within the specified timeframe will subsequently result in **demotion** of the **UM**.
- 4.4.5. Demoted **UMs** may be re-appointed with the conditions that they must fulfill all the following:
- 4.4.5.1. Complete the respective Management Training requirement (based on whichever they have failed).
  - 4.4.5.2. Provide a written notice to AIA for re-appointment.
- 4.4.6. Failure to fulfill the **CPD Hours or RFP Modules** requirements within the specified timeframe will subsequently result in **termination** of the **UM**.
- 4.4.7. Terminated **UMs** may be re-instated with the conditions that they must fulfill all the following within 12 months from their Termination Date:
- 4.4.7.1. Terminated due to failure to complete **CPD hours** requirements:
- a) Complete the “Re-instatement Compliance Module”.
  - b) Submit the duly signed “Re-instatement Compliance Module Declaration Form”.
  - c) Submit the duly signed “Re-instatement Request Form”.
  - d) If the **UM** has also failed to complete either of the **RFP Modules** within the specified timeframe, they must complete the respective RFP Module in addition to the above (based on whichever they have failed).
- 4.4.8. **UMs** who are in the **2<sup>nd</sup> calendar year onwards** from their **UM** Appointment Date will be subject to **FULL** MOC requirements (inclusive of min 30 CPD hours annually).
- 4.4.9. The UM is entitled to the following production credit in the event of his/her downlines are appointed to UM rank:
- 4.4.9.1. 50% TPC of the newly appointed downline UM’s business in the 1<sup>st</sup> year of appointment.
  - 4.4.9.2. 25% TPC of the newly appointed downline UM’s business in the 2<sup>nd</sup> year of appointment.
- 4.4.10. All Life Planners (including downline AUM) within the Direct Team can be counted for fulfillment of production and manpower.

**4.5. District Manager (DM) Review:**

- 4.5.1. Kindly refer to "Requirements" section above for MOC requirements.
- 4.5.2. Must complete the following training requirements:
- 4.5.2.1. Pre-appointment:
- a) Must complete LIMRA Pacesetter 2.0.
- 4.5.2.2. 1<sup>st</sup> year of appointment as a DM (from 1<sup>st</sup> to 12<sup>th</sup> month):
- a) Min **40 CPD hours** within the first 12 months.
  - b) Management Training (mandatory) – GAMA Essentials of Leadership and Management (ELM) 2.0.
- 4.5.3. Registered Financial Planner (RFP) Module:
- 4.5.3.1. As a reminder, for **DMs** who have not yet completed RFP Module 1 and 2:
- a) Must complete either one (1) of the RFP Modules (i.e. RFP Module 1 or 2) within the 4<sup>th</sup> calendar year from their Coded Date.
  - b) The remaining RFP Module must be completed within the 6<sup>th</sup> calendar year from their Coded Date.
  - c) Each RFP Module's CPD hours is counted towards the respective calendar year when it is completed.
- 4.5.4. Failure to fulfill the above **Management Training** requirements within the specified timeframe will subsequently result in **demotion** of the **DM**.
- 4.5.5. Demoted **DMs** may be re-appointed with the conditions that they must fulfill all the following:
- 4.5.5.1. Complete the respective Management Training requirement (based on whichever they have failed).
- 4.5.5.2. Provide a written notice to AIA for re-appointment.
- 4.5.6. Failure to fulfill the **CPD Hours or RFP Modules** requirements within the specified timeframe will subsequently result in **termination** of the **DM**.
- 4.5.7. Terminated **DMs** may be re-instated with the conditions that they must fulfill all the following within 12 months from their Termination Date:
- 4.5.7.1. Terminated due to failure to complete **CPD hours** requirements:
- a) Complete the "Re-instatement Compliance Module".
  - b) Submit the duly signed "Re-instatement Compliance Module Declaration Form".
  - c) Submit the duly signed "Re-instatement Request Form".
  - d) If the **DM** has also failed to complete either of the **RFP Modules** within the specified timeframe, they must complete the respective RFP Module in addition to the above (based on whichever they have failed).
- 4.5.8. **DMs** who are in the **2<sup>nd</sup> calendar year onwards** from their **DM** Appointment Date will be subject to **FULL** MOC requirements (inclusive of min 30 CPD hours annually).
- 4.5.9. The DM is entitled to the following production credit in the event of his/her downlines are appointed to DM rank:
- 4.5.9.1. 50% TPC of the newly appointed downline DM's business in the 1<sup>st</sup> year of appointment.
- 4.5.9.2. 25% TPC of the newly appointed downline DM's business in the 2<sup>nd</sup> year of appointment.
- 4.5.10. All Life Planners (including downline AUM and UM) within the District Group can be counted for fulfillment of production and manpower.

## 5.1. CONTRACT MAINTENANCE WAIVER (CMW)

### 1. Applicable to:

- 1.1. Agency Leaders (i.e. UM/DM) ≥ 55 years of age **AND** have more than 15 years of service with AIA, **OR**
- 1.2. Agency Leaders (i.e. UM/DM) ≥ 20 years of service with AIA

### 2. Rules:

- 2.1. Leaders who have qualified for the waiver **BEFORE** 30<sup>th</sup> November 2017, shall continue to retain the waiver entitlement.
- 2.2. Effective from 1<sup>st</sup> December 2017 onwards, no new or additional waiver will be granted.
- 2.3. 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.

## 5.2. 5 YEARS TPD OR CI WAIVER

### 1. Applicable to: All Ranks.

### 2. Rules:

- 2.1. In the event of Total Permanent Disability (TPD) or Critical Illness (CI), MOC waiver may be granted up to a maximum of 5 years only.
- 2.2. Medical report is only provided to AIA once and is **NOT** required by yearly. However, if the leader is still under critically ill by the end of the 5<sup>th</sup> year, the leader is required to proceed with succession or retirement arrangement.

## 5.3. DOWNGRADE (OR DEMOTION)

### 1. Applicable to: Agency Leaders (UM/DM) who did **NOT** fulfill their yearly MOC requirements within the qualifying period.

### 2. Downgrade from District Manager (DM) to Unit Manager (UM):

- 2.1. 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 3<sup>rd</sup> year but is subject to DOA's recommendation and approval.
- 2.2. The DMs who did **NOT** fulfill the requirements at the end of the period will be downgraded to UM with immediate effect.
- 2.3. After downgrading, the Life Planners and AUMs reporting directly to the UM will remain unchanged but the UM will be auto rolled-up to the immediate upline UM/DM.

### 3. Downgrade from Unit Manager (UM) to Assistant Unit Manager (AUM)

- 3.1. 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 3<sup>rd</sup> year but is subject to DOA's recommendation and approval.
- 3.2. The UMs who did **NOT** fulfill the extension requirements at the end of the period will be downgraded to AUM with immediate effect.
- 3.3. After downgrading, the downgraded AUM and his/her downlines will report to the immediate upline UM/DM.

## 5.4. REAPPOINTMENT

### 1. Applicable to: Agency Leaders (UM/DM) who have been downgraded and wishes to regain his/her former position.

### 2. Reappoint to District Manager (DM) rank:

- 2.1. The former DM must fulfill the current year's DM MOC requirements (include production achieved during the extension period) by 31<sup>st</sup> December within the same calendar year of being downgraded.
- 2.2. To provide written notification to AIA for reappointment upon fulfillment of the MOC requirements.
- 2.3. All MOC requirements must be fulfilled accordingly.
- 2.4. If reappointment is not done within the same calendar year, the UM must fulfill the appointment to DM criteria in order to regain his former position as DM.
- 2.5. Upon approval of reappointment, all previous manpower including Daughter UMs will be reverted to the reappointed DM.
- 2.6. Reappointment to former position is strictly based on the actual reappointment date updated in the system.

### 3. Reappoint to Unit Manager (UM) rank:

- 3.1. The former UM must fulfill the current year's UM MOC requirements (including production achieved during the extension period) by 31<sup>st</sup> December within the same calendar year of being downgraded.
- 3.2. To provide written notification to AIA for reappointment upon fulfillment of the MOC requirements.
- 3.3. All MOC requirements must be fulfilled accordingly.
- 3.4. If the reappointment is not done within the same calendar year, the AUM must fulfill the appointment to UM criteria in order to regain his former position as UM.
- 3.5. Upon approval of reappointment, all previous manpower will be reverted to the reappointed UM.
- 3.6. Reappointment to former position is strictly based on the actual reappointment date updated in the system.

## 5.5. TERMINATION

### 1. General Rules:

- 1.1. To be bound under the Termination and Suspension clause of the Life Planner's Contract.
- 1.2. The Life insurance license (issued by LIAM) or Takaful insurance license (issued by 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 (issued by PIAM), therefore if the Life license is terminated, then the 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 be retained as active, and vice-versa (unless both licenses 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.
- 1.7. If a Life Planner is found to have engaged directly or indirectly in any business activities that have conflict of interest with AIA and its customers, AIA reserves the rights to terminate the Life Planner's contract.
- 1.8. If a Life Planner fails to disclose to AIA that his/her spouse is involved with any other insurance company's/takaful operator's business activities and/or fails to disclose that his/her spouse is an agent of any other insurance company /takaful operator and does not provide satisfactory explanation that there is no conflict of interest between both the Life Planner and the spouse being in separate insurance companies or takaful operators, AIA reserves the rights to terminate the Life Planner's contract.
- 1.9. For purposes of Clauses 1.7 and 1.8 above, "business activities" shall include but is not limited to promoting any other insurance company's/ takaful operator's products; or attending meetings, seminars or trainings organized by any other insurance company/ takaful operator.

### 2. Resignation:

**2.1. Applicable to:** All Ranks who are in-forced with AIA.

#### 2.2. Rules:

- 2.2.1. Life Planners who wish to resign from AIA must submit a duly signed resignation letter stating the reason for the resignation.
- 2.2.2. The resigned Life Planner is required to notify his/her leader of his/her intention to resign.
- 2.2.3. All resignation letters submitted must be acknowledged by immediate upline UM/DM and further endorsed by the DOA office.
- 2.2.4. In the event that the resigned Life Planner is an UM, all Life Planners under him/her will be transferred to the immediate upline UM/DM.
- 2.2.5. In the event that the resigned Life Planner is a DM, all Life Planners under him/her will be transferred to immediate upline DM.
- 2.2.6. In the event that the Life Planner's spouse is an agent of another insurance company/ Takaful operator, this will result in termination of the Life Planner's contract unless the Life Planner's spouse has terminated the contract with the other insurance company/ Takaful operator.
- 2.2.7. The Assignment of Orphan Policies rules are applicable for policies that are serviced by the resigned Life Planner and Agency Leader.

**3. Death:****3.1. Applicable to:** All Ranks who are in-forced with AIA.**3.2. Rules:**

- 3.2.1. Upon the death of a Life Planner, the immediate upline leader or relatives of the deceased must inform AIA by providing a copy of the following for filing purposes:
  - 3.2.1.1. Death Certificate
  - 3.2.1.2. Photocopy IC of the beneficiary.
  - 3.2.1.3. Photocopy of the bank details.
  - 3.2.1.4. Proof of relationship (i.e. marriage or birth certificate)
- 3.2.2. Termination of the Life Planner will take effect from the date of death.
- 3.2.3. 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.
- 3.2.4. In the event that the deceased is an UM, all Life Planners under him/her will be transferred to the immediate upline UM/DM.
- 3.2.5. In the event that the deceased is a DM, all Life Planners under him/her will be transferred to immediate upline DM.
- 3.2.6. **NO** further transfers of the affected downlines will be entertained for a minimum of one (1) year.
- 3.2.7. The Assignment of Orphan Policies rules are applicable for policies that are serviced by the deceased Life Planner and Agency Leader, except **NO** commission will be given to the new Servicing Life Planner including the commission derived from the renewal of these policies.

**4. Misconduct:****4.1. Applicable to:** All Ranks who are in-forced with AIA.**4.2. Rules:**

- 4.2.1. All initial reports of misconduct will be forwarded to the Investigation Unit for thorough investigation.
- 4.2.2. All commissions due to the Life Planner will be withheld during investigation.
- 4.2.3. Upon conviction, the Life Planner's contract will be terminated with immediate effect and the withheld commission will not be released to the Life Planner.
- 4.2.4. Life Planners convicted of malpractice are **NO** longer allowed to return to AIA.
- 4.2.5. All policies serviced by the terminated Life Planner will be transferred under the Company Direct (i.e. AIA) and will **NOT** be assigned to any Life Planners.

**5. Bankruptcy:****5.1. Applicable to:** All Ranks who are in-forced with AIA.**5.2. Rules:**

- 5.2.1. If a Life Planner is found to be a bankrupt, the Life Planner's contract will be terminated with immediate effect.
- 5.2.2. The Life Planner is allowed to return to AIA upon complete settlement of his/her debts by providing a copy of Letter of Clearance from Jabatan Insolvency Malaysia as certification.
- 5.2.3. Requests for delay in termination or appeals will **NOT** be granted.
- 5.2.4. The Assignment of Orphan Policies rules are applicable for policies that are serviced by the terminated Life Planner and Agency Leader.

**6. Non-Fulfillment of Continuous Professional Development (CPD) and Registered Financial Planner (RFP):****6.1. Applicable to:** All Ranks who are in-forced with AIA.**6.2. Rules:**

- 6.2.1. Life Planners and Agency Leaders whom have failed to fulfill training requirements within the stipulated timeframe will be subjected to termination.
- 6.2.2. Terminated Life Planners and Agency Leaders may be reinstated with the condition that they submit the duly signed "Reinstatement Compliance Module Declaration Form" and the "Reinstatement Request Form" within 12 months.
- 6.2.3. The Assignment of Orphan Policies rules are applicable for policies that are serviced by the terminated Life Planner and Agency Leader.

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**6.0**

# **OTHER ADMINISTRATION**

## 6.0. OTHER ADMINISTRATION

### 6.1. MOVEMENT OR TRANSFER

1. **Applicable to:** All Ranks who are in-forced with AIA.
2. **Rules:**
  - 2.1. Transfers of Life Planner or Leader to another agency are strictly **NOT** allowed.
  - 2.2. Writing Life Planner is responsible for Persistency Rate of the policies.
3. **Reinstated Life Planner – returns within 12 months from Termination Date:**
  - 3.1. **Applicable to:** Life Planners who were terminated from AIA.
  - 3.2. **Rules:**
    - 3.2.1. Terminated Life Planner may reinstate their contract within the same agency prior to termination.
    - 3.2.2. Maximum reinstatement is twice per lifetime.
    - 3.2.3. Terminated Life Planners who opt for reinstatement are **NOT** considered as New Life Planner (NLP).
    - 3.2.4. Reinstated Life Planners (whom meets MOC) can be counted as manpower for leaders' Appointment to Higher Rank and MOC purposes.
    - 3.2.5. AIA reserves the rights 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 rejected.
    - 3.2.6. All outstanding balances derived from under the old Life Planner code must be settled before transferring to another unit.
    - 3.2.7. Reinstated Life Planner cannot claim back his old block of business that had been assigned.
    - 3.2.8. All request must be reinforced with the following:
      - 3.2.8.1. Application for Policy Servicing Rights Form.
      - 3.2.8.2. Consent Letter from policyholder.
    - 3.2.9. Writing Life Planner is responsible for Persistency Rate of the policies.
4. **Rejoined Life Planner (RLP) – returns after 12 months from Termination Date:**
  - 4.1. **Applicable to:** Life Planners who were terminated from AIA.
  - 4.2. **Rules:**
    - 4.2.1. Life Planner will be assigned with a new code after a waiting period of 12 months but is subjected to the AIA's approval.
    - 4.2.2. 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 thereafter, the Life Planner would be subjected to termination.
    - 4.2.3. The RLP 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.
    - 4.2.4. All outstanding balances derived from under the previous Life Planner code must be settled before transferring to another agency or unit.
    - 4.2.5. RLP cannot claim back his old block of business that had been assigned.
    - 4.2.6. Transfer of old block of business is not allowed.
    - 4.2.7. All request must be reinforced with the following:
      - 4.2.7.1. Application for Policy Servicing Rights Form.
      - 4.2.7.2. Consent Letter from policyholder.
    - 4.2.8. Writing Life Planner is responsible for Persistency Rate of the policies.



## 6.2. TRANSFER OF POLICY SERVICING RIGHTS

1. **Applicable to:** Policies that have lapsed, orphan policies or complains from policyholder only.
2. **Requirements:**
  - 2.1. All requests for transfer of servicing rights must be reinforced with the following:
    - 2.1.1. Application for Policy Servicing Rights Form.
    - 2.1.2. Consent Letter from the policyholder.
    - 2.1.3. If the policy is orphaned or has lapsed > 90 days – No approval is required from the immediate upline UM/DM.
    - 2.1.4. If the policy is orphaned or has lapsed ≤ 90 days – Release Letter from the immediate upline UM/DM must be submitted.
  - 2.2. Reasons for transfer must be supported with solid proof to ensure its validity where only limited reasons are permitted such as the following:
    - 2.2.1. Lapsed exceeding 90 days.
    - 2.2.2. Orphan policies.
    - 2.2.3. Policyholder complaint due to misrepresentation with proof after investigation.
3. **Rules:**
  - 3.1. Any reasons for transfer not contained within the list above or incomplete forms will **NOT** be entertained.
  - 3.2. Only written requests will be accepted.
  - 3.3. Agency Leaders (UM/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 AIA's reference.
  - 3.4. AIA reserves the rights to verify the authenticity of the releasing Life Planner, 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.
  - 3.5. 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 Life Planner.
  - 3.6. The policyholder has the rights to appoint any Life Planner as their Servicing Life Planner even when the request has been rejected by AIA **BUT** the commission will be paid to the Commission Life Planner according to the AIA's system. The preferred Life Planner will **NOT** be receiving any commission for the service rendered.
  - 3.7. AIA reserves the rights to intervene should there be any disagreements or conflicts between the policyholder and the Servicing Life Planner.
  - 3.8. The Writing Life Planner is responsible for Persistency Rate of the policies.

## 6.3. ASSIGNMENT OF ORPHAN POLICIES

1. **Applicable to:** Policies where the Writing or Servicing Life Planner is terminated.
2. **Rules:**
  - 2.1. Personal business from terminated Life Planner or Agency Leaders will be uploaded to AIA Life Planner Portal (ALPP) for policy assignment effective within 24 hours from the Termination Date.
  - 2.2. The immediate upline leader are required to perform policy assignment in ALPP within 30 calendar days.
  - 2.3. The immediate upline leader can assign the policies to themselves **OR** to a new Servicing Life Planner.
  - 2.4. Upon exceeding the 30 calendar days, any unassigned policies and its commission will be rolled-up to Company Direct (i.e. AIA).
  - 2.5. The immediate upline leader 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.
  - 2.6. Leaders would need to transfer these orphan policies to the new Servicing Life Planner in their unit within 30 calendar days from the Termination Date.
  - 2.7. 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 Life Planner.
  - 2.8. The new Servicing Life Planner should visit the policyholder to get acquainted immediately.
  - 2.9. Writing Life Planner is responsible for Persistency Rate of the policies.
  - 2.10. Kindly refer to the "Compensation – General Provisions" on treatment and handling of the compensation.



# **COMPENSATION MODULE**

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# **1.0**

# **COMPENSATION**

# **– GENERAL PROVISIONS**

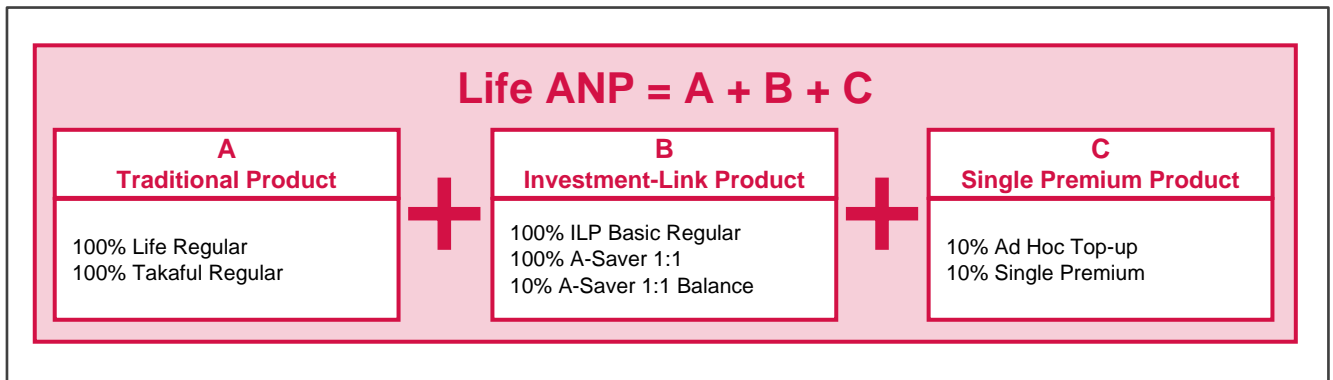
## 1.0. COMPENSATION – GENERAL PROVISION

### 1. Total Life ANP/ANC:

- 1.1. Annualized New Premium (ANP) from Life or Annualized New Contribution (ANC) from Takaful that are captured and approved by 31<sup>st</sup> December.
- 1.2. ANC is to describe contribution term used for Takaful business where similarly ANP is to describe premium term used for Life business. For ease of understanding henceforth the term ANP and premiums may be used instead, however similarly this will cover ANC or contribution as well for Takaful.
- 1.3. The definition of ANP/ANC is as below:

Business Includes	
Life	Takaful
<ul style="list-style-type: none"> <li>• 100% Life regular premium.</li> <li>• 100% Life regular premium with paying term less than 10 years.</li> <li>• 10% production credit of ILP single premium. No cap on single premium against qualifying requirements.</li> <li>• 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.</li> </ul>	

#### 1.4. Calculation of Life ANP:



- 1.4.1. **100% A-Saver 1:1** refers to ILP A-Saver premium that will only be counted up to 100% of annualized premium but limited to one (1) time of the Basic Regular Premium per policy.
- 1.4.2. **100% A-Saver 1:1 Balance** refers to the remaining balance of A-Saver premium after capped with ILP Basic Regular Premium, where the balance will be counted (re-class) at only 10%.

#### 1.5. Illustrations: A-Saver and regular/scheduled top-up:

- 1.5.1. 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.
- 1.5.2. 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 for 12 months)
- A-Saver premium attached is RM 6,000 (monthly RM 500 for 12 months).
- ANP credit:

Details	Count As	ANP Credit
Basic Regular Premium	100%	RM 3,600
A-Saver premium	100%	RM 3,600
Balance of A-Saver 10% re-class	10%	RM 240
<b>Total Credit</b>	<b>N/A</b>	<b>RM 7,440</b>

- 1.6. Total Life ANP/ANC counted for recognition and qualifying of:
  - 1.6.1. Malaysian Agent’s Provident Fund (MAPF) and/or Takaful Agent’s Provident Fund (TAPF) respectively – for all ranks.
  - 1.6.2. Manager Direct Provident Fund (MDPF) and/or Takaful Manager Direct Provident Fund (TMDPF) respectively – for UM and DM rank.
  - 1.6.3. Manager Indirect Provident Fund (MIPF) and/or Takaful Manager Indirect Provident Fund (TMIPF) respectively – for DM rank.
  - 1.6.4. Provident fund derived from Individual Life business lines will be credited to MAPF/MDPF/MIPF.
  - 1.6.5. Provident fund derived from Family Takaful business lines will be credited to TAPF/TMDPF/TMIPF.
  - 1.6.6. Respective contest and incentives – kindly refer to respective rules and regulation for more details.

**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 31<sup>st</sup> December, wherever applicable, and 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, 2<sup>nd</sup> Year Collected Regular Premium and 3<sup>rd</sup> Year Collected Regular Premium captured, approved and collected the latest by 31<sup>st</sup> December.
- 2.3. Yearly Renewal Term (YRT) and yearly reducing term premiums are **EXCLUDED** from ANP, FYP, case count and benefit payment (i.e. AHM-i).

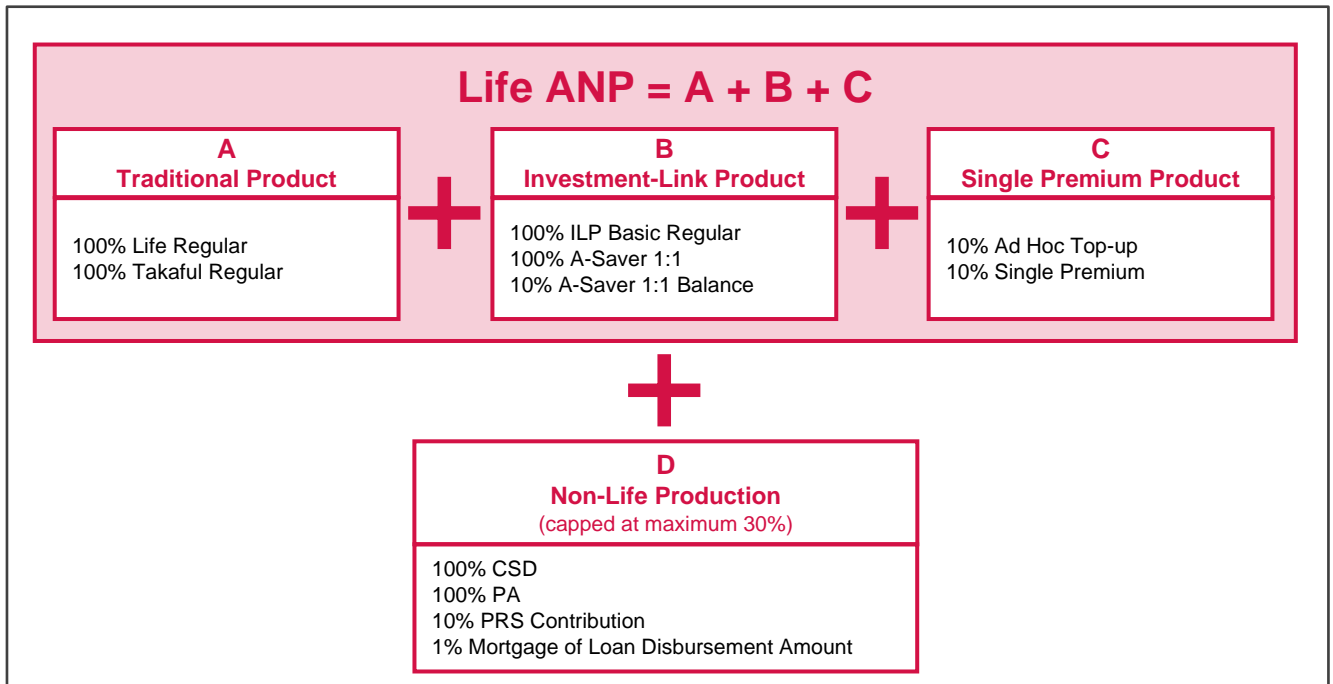
**3. Total Production Credit (TPC):**

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

<ul style="list-style-type: none"> <li>Business includes Life, Takaful, PA, CSD (GTL, GHS, GPA), Mortgage, Private Retirement Scheme</li> <li>The aggregated amount of the other line of business is capped at maximum 30%.</li> </ul>						
Min 70% Contribution		Max 30% Contribution				
Life	Takaful	PA	CSD (GTL, GHS, GPA)	Mortgage	Home or Commercial Business Unit	PRS
<ul style="list-style-type: none"> <li>100% Life regular premium + 10% production credit of ILP single premium.</li> <li>100% ANP credit is granted if the regular Policy Paying Term is less than 10 years.</li> <li>No cap on single premium against qualifying requirements.</li> <li>A-Saver/Regular top-up counted at RM 1 (Basic Regular Premium) to RM 1 (A-Saver/Regular Top-up) and balance of A-Saver will be 10% re-class.</li> </ul>		<ul style="list-style-type: none"> <li>100% of ANP (Individual and Non-Corporate Group) – Includes School PA</li> </ul>	<ul style="list-style-type: none"> <li>New business ANP @ 100%</li> </ul>	<ul style="list-style-type: none"> <li>Production credit based on 1% of loan disbursed.</li> <li>Mortgage business capped at 10% of allowable Non-Life production</li> </ul>	<ul style="list-style-type: none"> <li>New Business ANP counted at 100% (Excludes motor insurance)</li> </ul>	<ul style="list-style-type: none"> <li>10% on actual contribution collected</li> </ul>

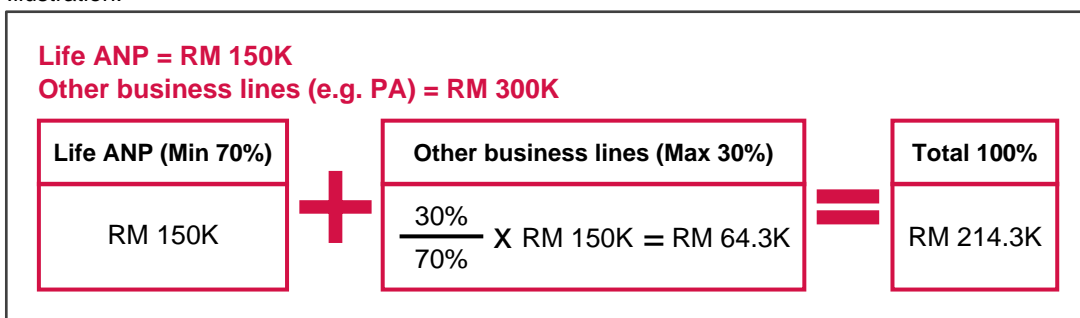
- 3.2. TPC is counted for recognition and qualifying criteria for:
  - 3.2.1. Appointment to Higher Rank
  - 3.2.2. Maintenance of Contract (MOC)
  - 3.2.3. Respective contest and incentives – kindly refer to respective rules and regulation for more details.

3.3. Calculation of TPC:



- 3.3.1. **100% A-Saver 1:1** refers to ILP A-Saver premium that will only be counted up to 100% of annualized premium but limited to one (1) time of the Basic Regular Premium per policy.
- 3.3.2. **100% A-Saver 1:1 Balance** refers to the remaining balance of A-Saver premium after capped with ILP Basic Regular Premium, where the balance will be counted (re-class) at only 10%.
- 3.3.3. **1% Mortgage of Loan Disbursement Amount** is capped at 10% from the total Non-Life Production credit.

3.4. Illustration:



4. First Year Premium (FYP):

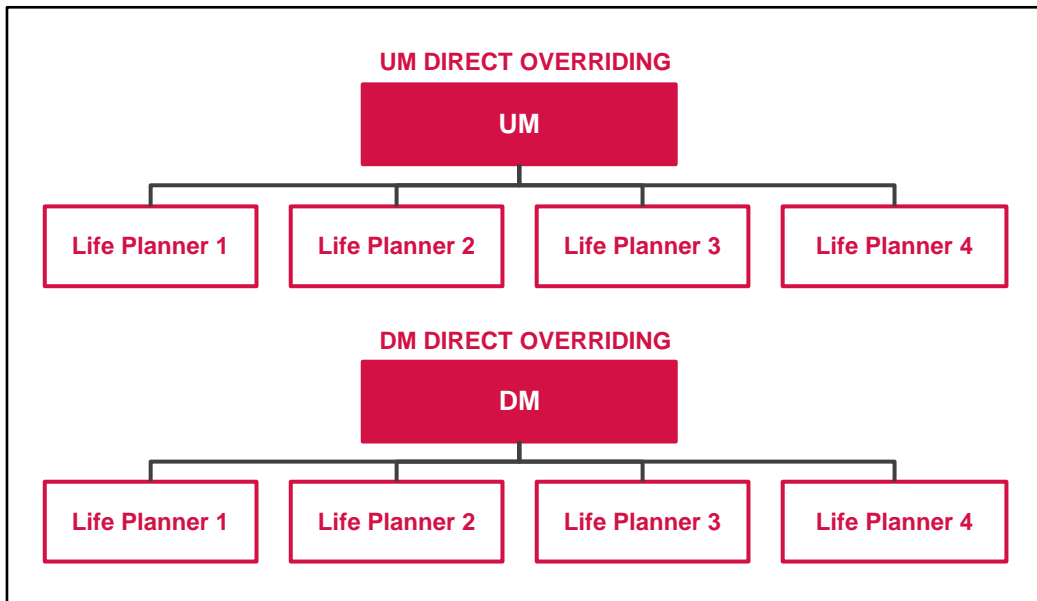
- 4.1. Refers to 1<sup>st</sup> year (1<sup>st</sup> – 12<sup>th</sup> month) regular premiums captured/approved/set in-forced and collected on Life and Takaful policies by 31<sup>st</sup> December.
- 4.2. Premiums captured/approved/set in-forced after 31<sup>st</sup> December will not be included.

5. 2<sup>nd</sup> and 3<sup>rd</sup> Year Renewal Premiums (2<sup>nd</sup> Year RP and 3<sup>rd</sup> Year RP):

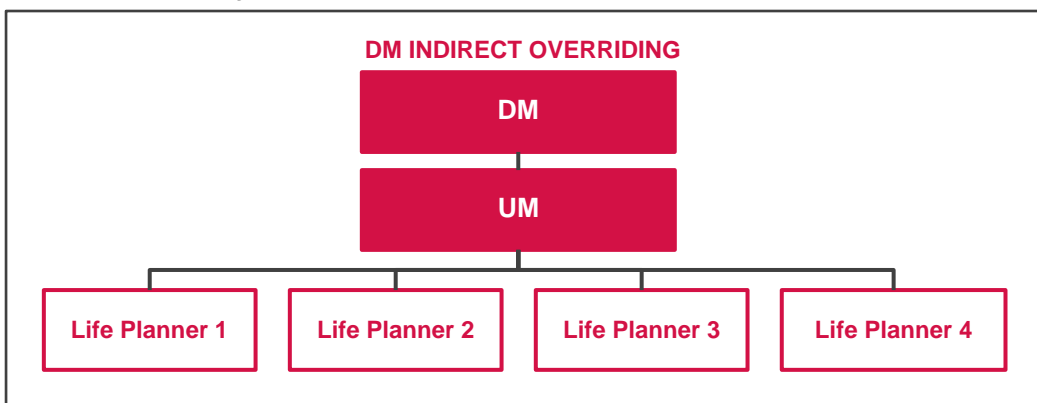
- 5.1. Refers to 2<sup>nd</sup> year (13<sup>th</sup> – 24<sup>th</sup> month) and 3<sup>rd</sup> year (25<sup>th</sup> – 36<sup>th</sup> month) renewal regular premiums collected on Life and Takaful policies by 31<sup>st</sup> December.
- 5.2. Premiums collected will only be counted respectively within the year by 31<sup>st</sup> December.

**6. Commissions:**

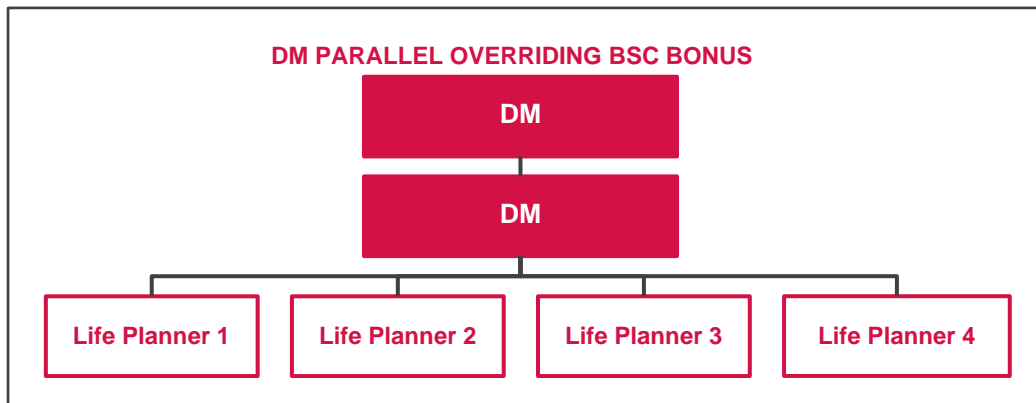
- 6.1. Commission rate varies according to Policy Paying Term.
- 6.2. For policy with Policy Paying Term ≥ 20 years – maximum commission is payable.
- 6.3. For policy with Policy Paying Term < 20 years – the commission rate is pro-rated. Kindly refer to the commission schedules for more details.
- 6.4. Commissions are calculated once premiums are paid and captured (inclusive of loading) and will be credited to Life Planner's commission account. This includes commissions from business collected up to the date of contract validity after mid-month and end of the month.
- 6.5. New business commission is calculated as per modal premium captured.
- 6.6. Renewal commission is calculated as per premium paid and commission is payable for policy under reinstatement; Automatic Premium Loan (APL).
- 6.7. Commission will be debited to Life Planner account if premium paid to date is reversed due to Cancellation from Inception (CFI) (i.e. cancellation of policy) or Replacement of Policy (ROP).
- 6.8. For ILP product, no commission will be paid for policy under Premium Holiday.
- 6.9. UM/DM Direct Overriding (DO) is based on collected premium of UM/DM's Direct Team production.



- 6.10. DM Indirect Overriding (IO) is based on collected premiums of DM's downline UM's Direct Team production.



6.11. DM Parallel Overriding BSC Bonus is based on collected premiums of downline DM's Direct Team production.



## 7. Treatment of Life Planner's and Agency Leader's Commission:

### 7.1. Termination without Vesting Rights:

- 7.1.1. Commissions on Personal Sales and Direct or Indirect Team production will be paid for all line of business up to the Termination Date.
- 7.1.2. Personal business from terminated Life Planner will be uploaded to AIA Life Planner Portal (ALPP) for policy assignment effective within 24 hours from the Termination Date.
- 7.1.3. The immediate upline leader are required to perform policy assignment in ALPP within 30 calendar days.
- 7.1.3.1. If the immediate upline leader decides to assign the policies to themselves:
- The immediate upline leader will be designated as the Servicing Life Planner and Commission Life Planner.
  - The leader will receive fixed basic commission and Life Planner BSC bonus from the effective date of the policy assignment. The Life Planner BSC Bonus will be paid based on leader's own BSC score.
  - The Writing Life Planner's BSC score will determine the Manager Direct Team BSC Bonus, and Manager Indirect Team BSC Bonus or Manager Parallel Overriding BSC Bonus.
- 7.1.3.2. If the immediate upline leader decides to assign the policies to a new Servicing Life Planner:
- The new Servicing Life Planner will in addition be designated as the Commission Life Planner.
  - The new Servicing Life Planner will receive the fixed basic commission and Life Planner BSC bonus from the effective date of the policy assignment. The Life Planner BSC Bonus will be paid based on new Servicing Life Planner BSC score.
  - The Writing Life Planner's BSC score will still determine the Manager Direct Team BSC Bonus, and Manager Indirect Team BSC Bonus or Manager Parallel Overriding BSC Bonus.
- 7.1.4. Upon exceeding the 30 calendar days, any unassigned policies and its commission will be rolled-up to Company Direct (i.e. AIA):
- 7.1.4.1. The immediate upline leader can request to reclaim the policies and reassign them to either him/herself or the new Servicing Life Planner, however the consent of the policyholder in written is mandatory.
- 7.1.4.2. Once the reassignment is performed, the payment of commission will be paid accordingly from the effective date of the policy assignment.
- 7.1.4.3. Any commission or BSC Bonus between the periods from the Termination Date till effective date of policy assignment, will not be paid to the immediate upline leader or the new Servicing Life Planner.

### 7.2. Termination with Vesting Rights:

- 7.2.1. Commissions on Personal Sales production shall be paid on Life and Takaful business premiums from the 1<sup>st</sup> through to 6<sup>th</sup> policy year.
- 7.2.2. Non-Life premiums are **NOT** included.
- 7.2.3. Vesting Rights shall be applicable to Life Planners and Agency Leaders that fulfilled the following requirements:
- Age 55 with minimum 10 years of continuous service prior to contract termination, **OR**
  - Minimum 20 years of continuous service irrespective of age prior to contract termination.
  - Termination is not because of due cause.
  - Not conducting any Life and Takaful business for other companies after contract termination.
  - Not conducting business under any proxy after contract termination.
- 7.2.4. Terminated Life Planners and Agency Leaders with Vesting Rights who are reinstated within 12 months from Termination Date will continue to retain such rights.



7.3. Termination due to Deceased or Death:

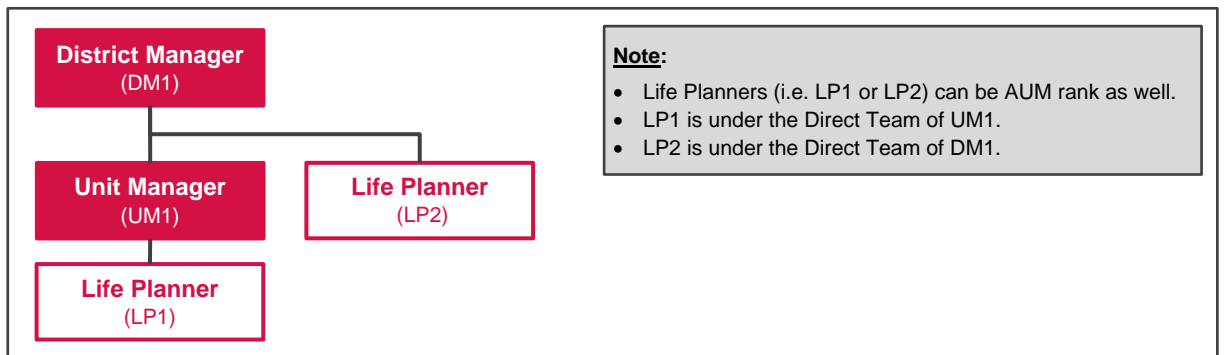
- 7.3.1. Commission from policies captured by the deceased Life Planners or Agency Leader will be payable to the Beneficiary.
- 7.3.2. Commissions on Personal Sales production shall be paid on Life and Takaful business premiums from the 1<sup>st</sup> through to the 6<sup>th</sup> policy year. Non-Life Premiums are not included.

7.4. Treatment of Personal Sales Commission:

- 7.4.1. The respective Life Planner or Agency Leader will continue to receive full commission on both old and new block of business regardless of:
  - 7.4.1.1. Appointment to Higher Rank
  - 7.4.1.2. Downgrading to Lower Rank
- 7.4.2. If the Life Planner is reinstated within 12 months from his/her Termination Date, he/she will only receive full commission on the new block of business.
- 7.4.3. If the Life Planner is rejoined after 12 months from his/her Termination Date, he/she will only receive full commission on the new block of business.

8. Treatment of Agency Leader’s Overriding:

- 8.1. For District Manager with Agency Leader Corporation (ALC) Contract, all the Agency Overriding and Agency related bonuses/ benefit as per “Schedule of Commissions” applicable to District Manager will be paid to the ALC on Life & Takaful business.
- 8.2. Termination of downline Writing or Servicing Life Planner:
  - 8.2.1. Direct Overriding (DO) and Indirect Overriding (IO), wherever applicable, will be payable to the immediate upline leader in full.
- 8.3. Termination of UM or DM:
  - 8.3.1. Direct Overriding (DO) and Indirect Overriding (IO), wherever applicable, will be rolled-up to the immediate upline leader in full.
- 8.4. Appointment to Higher Rank:
  - 8.4.1. Baseline hierarchy as reference point to supplement the next explanation.



8.4.2. Life Planner or AUM appointed to UM:

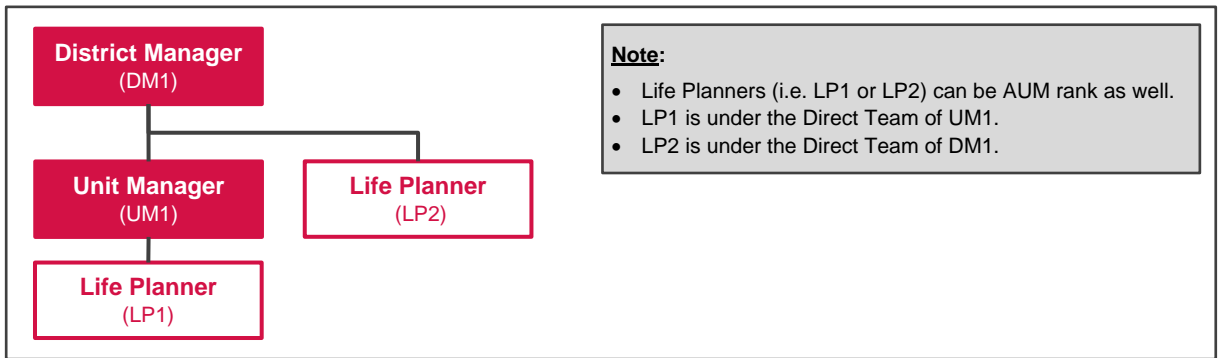
Old Block of Business (Before appointment to higher rank)	New Block of Business (After appointment to higher rank)
<ul style="list-style-type: none"> <li><b>Scenario 1:</b> LP1 who is promoting:                             <ul style="list-style-type: none"> <li>UM1 will continue to receive UM DO.</li> <li>DM1 will continue to receive IO.</li> </ul> </li> <li><b>Scenario 2:</b> LP2 who is promoting:                             <ul style="list-style-type: none"> <li>DM1 will continue to receive DM DO.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>LP1 is promoted as UM2:                             <ul style="list-style-type: none"> <li>UM2 will begin receiving UM DO.</li> <li>DM1 will be receiving IO from UM2.</li> </ul> </li> <li>LP2 is promoted as UM3:                             <ul style="list-style-type: none"> <li>UM3 will begin receiving UM DO.</li> <li>DM1 will be receiving IO from UM3.</li> </ul> </li> </ul>

8.4.3. UM appointed to 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"> <li>UM1 will continue to receive UM DO.</li> <li>DM1 will continue to receive IO.</li> </ul>	<ul style="list-style-type: none"> <li>UM1 is promoted as DM2:                             <ul style="list-style-type: none"> <li>DM2 will begin receiving DM DO + DM IO.</li> </ul> </li> </ul>

8.5. Downgrade to Lower Rank:

8.5.1. Baseline hierarchy as reference point to supplement the next explanation.



8.5.2. UM downgraded to Life Planner or AUM:

Old Block of Business (Before downgrading to lower rank)	New Block of Business (After downgrading to lower rank)
<ul style="list-style-type: none"> <li>UM1 will continue to receive UM DO.</li> <li>DM1 will continue to receive IO.</li> </ul>	<ul style="list-style-type: none"> <li>UM1 is demoted as LP3:                             <ul style="list-style-type: none"> <li>DM1 will begin receiving DM DO.</li> </ul> </li> </ul>

8.5.3. DM downgraded to UM:

Old Block of Business (Before downgrading to lower rank)	New Block of Business (After downgrading to lower rank)
<ul style="list-style-type: none"> <li>DM1 will continue to receive DM DO + DM IO.</li> </ul>	<ul style="list-style-type: none"> <li>DM1 is demoted as UM2:                             <ul style="list-style-type: none"> <li>UM2 will begin receiving UM DO.</li> </ul> </li> </ul>

8.5.4. Downgraded Life Planner or AUM reappointed to UM:

Old Block of Business (Before reinstating to former rank)	New Block of Business (After reinstating to former rank)
<ul style="list-style-type: none"> <li><b>Scenario 1:</b> LP1 who is reinstating:                             <ul style="list-style-type: none"> <li>UM1 will continue to receive UM DO.</li> <li>DM1 will continue to receive IO.</li> </ul> </li> <li><b>Scenario 2:</b> LP2 who is reinstating:                             <ul style="list-style-type: none"> <li>DM1 will continue to receive DM DO.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>If LP1 reinstated as UM2:                             <ul style="list-style-type: none"> <li>UM2 will begin receiving UM DO.</li> <li>DM1 will be receiving IO from UM2.</li> </ul> </li> <li>If LP2 reinstated as UM3:                             <ul style="list-style-type: none"> <li>UM3 will begin receiving UM DO.</li> <li>DM1 will be receiving IO from UM3.</li> </ul> </li> </ul>

8.5.5. Downgraded UM reappointed to DM:

Old Block of Business (Before reinstating to former rank)	New Block of Business (After reinstating to former rank)
<ul style="list-style-type: none"> <li>UM1 will continue to receive UM DO.</li> <li>DM1 will continue to receive DM IO.</li> </ul>	<ul style="list-style-type: none"> <li>UM1 is reinstated as DM2:                             <ul style="list-style-type: none"> <li>DM2 will begin receiving DM DO + DM IO.</li> </ul> </li> </ul>

8.6. Writing Life Planner is responsible for Persistency Rate of the policies.

**9. Requirements to Receive Commission, Overriding and Bonus:**

- 9.1. Life Planners and Agency Leaders must hold the relevant Life, Investment-Linked, Takaful, General Insurance and Private Retirement Scheme licenses in order to be entitled to receive commission, overriding and bonus.
- 9.2. Each Life Planner and Agency Leader status will be validated as of the respective cycle end date to determine the treatment in receiving their commission, overriding and bonus:
  - 9.2.1. Cycle A (15<sup>th</sup> of the month).
  - 9.2.2. Cycle B (the last date of the month).

**10. Debit Balances:**

- 10.1. For Life Planners and Agency Leaders with debit balances in their commission account, any payable commission will offset the debit balances registered with AIA Malaysia Entity, before any net payment is released.
- 10.2. For in-forced Life Planners and Agency Leaders, if the debit balances are still outstanding, RM 50 debit balance will be transferred to his/her upline leader every three (3) months for recovery.

**11. Final Credit Balances of Commissions and Overriding:**

11.1. Commission and overriding will be paid up to Termination Date.

**12. Case Sharing:**

12.1. Case sharing is **NOT** allowed under any circumstances.

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

**2.0**

**BALANCED SCORECARD  
(BSC)**

## 2.0. BALANCED SCORECARD (BSC)

### 2.1. REQUIREMENTS

KPI	Weightage (Fixed %)	Balanced Scorecard (BSC)				
		Downside		Normal	Upside	
		50%	75%	100%	125%	150%
<b>KPI 1:</b> CFF Option 1 or 2 (Current Year Achievement)	20	50%	60%	70%	80%	90%
		<b>AND</b>				
		-	-	-	Min 12 cases <b>OR</b> RM 30K ANP/ANC	Min 12 cases <b>OR</b> RM 30K ANP/ANC
<b>KPI 2A:</b> D1 Persistency, D1 PR (Prior Year Achievement)	25	-	85.00%	90.00%	92.50%	95.00%
<b>KPI 2B:</b> D2 Persistency, D2 PR (Prior Year Achievement)	30	-	75.00%	80.00%	85.00%	90.00%
<b>KPI 3:</b> Zero Complaints (Current Year Achievement)	10	-	-	Met	-	-
<b>KPI 4:</b> 5+25 CPD Hours (Prior Year Achievement)	15	-	-	Met	-	-

#### Notes:

- Weightage is based on a fixed percentage according to each individual KPIs.
- For KPI 1 under Upside: Minimum of 12 cases **OR** RM 30K refers to total Life and Takaful cases captured.
- For KPI 3: 100% score for this KPI will only be granted if there is **ZERO** number of official complaints is logged. Official complaints are only counted if Market Conduct Committee (MCC) had concluded the case with disciplinary actions. Only entitles to either 100% if requirement is met or 0% score if failed to meet the requirement.
- For KPI 4: 100% score for this KPI will only be granted if the individual meets the **Mandatory CPD = 5 hours AND Non-mandatory CPD = 25 hours** (Total 30 CPD hours). Only entitles to either 100% if requirement is met or 0% score if failed to meet the requirement.
- For TNLP**, their TBSC will be **defaulted to 100% for Y1 and Y2** to determine their BSC Bonus. This is regardless if their actual calculated score is higher or lower than 100%. From Y3 onwards, their actual TBSC will be used to determine their BSC Bonus.
- For NLP, RLP and DAL**, their TBSC will be **defaulted to 100% for Y1** to determine their BSC Bonus. This is regardless if their actual calculated score is higher or lower than 100%. From Y2 onwards, their actual TBSC will be used to determine their BSC Bonus.

#### 1. Rules:

- Balanced Scorecard (BSC) is applicable to all Life Planners and Leaders under Personal Sales of Agency Distribution Channel (Life and Takaful) that are in-forced with AIA.
- New business policies (including new riders) with RCD **from 1<sup>st</sup> January 2020** will be subjected to BSC Compensation (in reference to current version of Agency Compensation Handbook).
- Renewal of policies with RCD **from 1<sup>st</sup> January 2018 until 31<sup>st</sup> December 2019** will be subjected BSC Compensation (in reference to Agency Compensation Handbook – Version 6.1).
- Renewal of policies with RCD **prior to 1<sup>st</sup> January 2018** will be subjected to Single License Compensation (in reference to Agency Compensation Handbook – Version 5.2).
- In reference to the Balanced Scorecard (BSC):
  - Each individual KPI will have its own requirements and calculations.
  - The total calculated score for each individual KPI is referred to as **Total Individual KPI Score (TKPI)**.
  - The **Total BSC Score (TBSC)** is the total sum of all the TKPI.
  - The formula for TBSC is:

$$\text{Total BSC Score (TBSC)} = \text{TKPI for KPI 1} + \text{TKPI for KPI 2A} + \text{TKPI for KPI 2B} + \text{TKPI for KPI 3} + \text{TKPI for KPI 4}$$

- 1.6. TBSC will determine the BSC Bonus, where it is divided into Month BSC Bonus (MBB) and Annual BSC Bonus (ABB).
- 1.6.1. Monthly BSC Bonus (MBB) refer to the BSC Bonus that is calculated and paid up to TBSC = 100%.
- 1.6.1.1. BSC Bonus payment for MBB will be on **monthly** basis.
- 1.6.2. Annual BSC Bonus (ABB) refer to the BSC Bonus that is calculated and paid based on the Surplus of TBSC (STBSC).
- 1.6.2.1. Surplus of TBSC (STBSC) refer to the net score higher than 100% (e.g. If TBSC = 120%, STBSC = 20%).
- 1.6.2.2. BSC Bonus payment for ABB will be on **annual** basis, after the year-end closing by the next quarter.

Example:

- A Life Planner has achieved TBSC = 120%.
- STBSC is the net score higher than 100%, therefore STBSC = 20%.
- MBB will be paid up to TBSC = 100% on monthly basis.
- ABB for the STBSC = 20% will be paid after year-end closing by next quarter.

**2. For Existing Life Planner (ELP):**

- 2.1. BSC will be fully effective and counted with no exceptions.

**3. For Totally New Life Planner (TNLP):**

- 3.1. **Totally New Life Planner (TNLP)** refers to a Life Planner that are totally new in the industry (i.e. first-time being contracted as an insurance or Takaful agent in their lifetime).
- 3.2. Treatment of BSC Dashboard:
- 3.2.1. The BSC Dashboard will be calculated based on the actual scoring and will be refreshed daily.
- 3.2.2. Any individual KPI that are not available, their respective TKPI will be defaulted to 100%.
- 3.3. Treatment of BSC Bonus Payment:
- 3.3.1. Based on TBSC = 100% by default for up to **24 months** (Y1 and Y2) from the contracted year.
- 3.3.2. This is regardless if the actual TBSC is higher or lower than 100%.
- 3.3.3. On the **3<sup>rd</sup> year (Y3) onwards**, the BSC Bonus will be paid according to the actual TBSC as calculated from the BSC Dashboard.

Example:

- An TNLP is contracted in August 2020.
  - Contracted year, Y1 = August 2020 until December 2020.
  - 2nd full year, Y2 = January 2021 until December 2021.
- Default TBSC = 100% will be effective for Y1 and Y2, which is **from August 2020 until December 2021**.
- The TNLP will qualify for BSC Bonus based on TBSC = 100% **from August 2020 until December 2021**.
- From **January 2022 onwards**, the TNLP will qualify for BSC Bonus based on actual TBSC calculated from BSC Dashboard.

- 3.3.4. Qualifier's contract must be valid at the time of payment computation.

**4. New Life Planner (NLP), Rejoined Life Planner (RLP) and Direct Appointed Leader (DAL):**

4.1. Treatment of BSC Dashboard:

- 4.1.1. The BSC Dashboard will be calculated based on the actual scoring and will be refreshed daily.
- 4.1.2. Any individual KPI that are not available, their respective TKPI will be defaulted to 100%.

4.2. Treatment of BSC Bonus Payment:

- 4.2.1. Based on TBSC = 100% by default for up to **12 months** (Y1) from the Rejoined or Appointment Date.
- 4.2.2. This is regardless if the actual TBSC is higher or lower than 100%.
- 4.2.3. On the **2<sup>nd</sup> year (Y2) onwards**, the BSC Bonus will be paid according to the actual TBSC as calculated from the BSC Dashboard.

Example:

- An RLP has rejoined in August 2020.
  - Rejoined year, Y1 = August 2020 until December 2020.
- Default TBSC = 100% will be effective for Y1, which is **from August 2020 until December 2020**.
- The RLP will qualify for BSC Bonus based on TBSC = 100% **from August 2020 until December 2020**.
- From **January 2021 onwards**, the RLP will qualify for BSC Bonus based on actual TBSC calculated from BSC Dashboard.

4.2.4. Qualifier’s contract must be valid at the time of payment computation.

4.3. Kindly refer to “General Provisions” section for details on the definition, calculations and illustrations.

**2.2. DEFINITION OF EACH KPI**

**1. KPI 1: CFF Option 1 or 2:**

- 1.1. Based on current year achievement.
- 1.2. 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:
  - 1.2.1. Regular and Schedule/Ad Hoc top-ups (e.g. A-Plus Saver)
  - 1.2.2. Single Premium policies
  - 1.2.3. Yearly Renewable products (e.g. AHM)
- 1.3. In the event, the calculated percentage has decimals:
  - 1.3.1. ≥ 0.5 will be rounded up to the nearest integer percentage and;
  - 1.3.2. < 0.5 will be rounded down to the nearest integer percentage.

Example:

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

1.4. Formula for Total CFF Percentage:

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

1.5. **Requirement to entitle for the Upside for KPI 1 (i.e. TKPI = 125% or TKPI = 150%):**

- 1.5.1. On top of the Total CFF Percentage, each Life Planners and Leaders **MUST** meet the minimum 12 cases **OR** RM 30K ANP/ANC.
- 1.5.2. The minimum 12 cases **OR** RM 30K ANP/ANC refers to total captured Life and Takaful cases.
- 1.5.3. Those whom have failed to meet the requirements will only entitle to maximum TKPI = 100% score only for this KPI.

1.6. Illustration 1: Calculating CFF Percentage

Based on KPI 1	Example 1	Example 2	Example 3
Year	2020	2021	2022
Total Captured Life and Takaful ANP/ANC	150K	150K	150K
Total Captured Life and Takaful Policies	36	36	36
Total CFF Under Option 1 or 2	25	32	27
Qualified Percentage	$25 \div 36 = 69.44\%$ (round down)	$32 \div 36 = 88.88\%$ (round up)	$27 \div 36 = 75.00\%$
	69%	89%	75%
<b>BSC Score for KPI 1</b>	<b>75%</b>	<b>125%</b>	<b>100%</b>

1.7. Illustration 2: Meeting the minimum 12 cases OR RM 30K ANP/ANC

Based on KPI 1	Example 1	Example 2	Example 3
Year	2020	2021	2022
Total Captured Life and Takaful ANP/ANC	50K	28K	28K
Total Captured Life and Takaful Policies	12	12	11
Total CFF Under Option 1 or 2	11	12	10
Qualified Percentage	$11 \div 12 = 91.67\%$ (round up)	$12 \div 12 = 100.00\%$	$10 \div 11 = 90.91\%$ (round up)
	92%	100%	91%
<b>BSC Score for KPI 1</b>	<b>150%</b> (Higher than 100% can be counted – meets min ANP/ANC)	<b>150%</b> (Higher than 100% can be counted – meets min number of cases)	<b>100%</b> (Only max 100% can be counted – failed to meet min cases or ANP/ANC)

2. KPI 2A: D1 Persistency and KPI 2B: D2 Persistency:

- 2.1. Based on prior year achievement.
- 2.2. Persistency is counted from January to December based on previous year achievements.
- 2.3. The D1 or D2 Persistency (PR) are validated with 2 decimals considered.

Example:

- For KPI 2A to meet TKPI = 100%, D1 PR must meet 90.00%.
- A Life Planner that only achieves D1 PR = 89.99%, does **NOT** meet the D1 PR of 90.00%.
- The Life Planner will be considered to have only met the lower score of TKPI = 75% based on D1 PR = 89.99%.

2.4. Illustration:

Based on KPI 2A and 2B	Example 1	Example 2	Example 3
Year	2020	2021	2022
D1 Persistency	Based on <b>2018</b> business block (Jan'18 to Dec'18)	Based on <b>2019</b> business block (Jan'19 to Dec'19)	Based on <b>2020</b> business block (Jan'20 to Dec'20)
	90.00%	92.50%	95.00%
D2 Persistency	Based on <b>2017</b> business block (Jan'17 to Dec'17)	Based on <b>2018</b> business block (Jan'18 to Dec'18)	Based on <b>2019</b> business block (Jan'19 to Dec'19)
	74.99%	83.00%	92.00%
<b>BSC Score for KPI 2A</b>	<b>100%</b>	<b>125%</b>	<b>150%</b>
<b>BSC Score for KPI 2B</b>	<b>0%</b>	<b>100%</b>	<b>150%</b>



**3. KPI 3: Zero Complaints:**

- 3.1. Based on current year achievement.
- 3.2. 100% score for this KPI will only be granted if there is **ZERO** number of official complaints is logged.
- 3.3. Official complaints are only counted if Market Conduct Committee (MCC) had concluded the case with disciplinary actions.
- 3.4. Only entitles to either 100% if requirement is met or 0% score if failed to meet the requirement.
- 3.5. At any point in the current year if an official complaint has been logged, the score for the KPI will be 0%.
- 3.6. Impact on the BSC scorecard will follow the effective date of the official complaint is concluded.
- 3.7. Illustration:

Based on KPI 3	Example 1	Example 2	Example 3
Year	2020	2021	2022
BSC Score for KPI 3 at 1 <sup>st</sup> January	By 1 <sup>st</sup> January 2020 100%	By 1 <sup>st</sup> January 2021 100%	By 1 <sup>st</sup> January 2022 100%
Official Complaints Concluded by MCC	Complaints investigated with conclusion dated on 20 <sup>th</sup> November 2019 No impact	Complaints investigated with <b>NO</b> conclusion between Jan'21 to Dec'21 No impact	Complaints investigated with conclusion dated on 10 <sup>th</sup> February 2022 <b>Impacted</b>
<b>BSC Score for KPI 3</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>

**4. KPI 4: 5+25 CPD Hours:**

- 4.1. Based on prior year achievement.
- 4.2. Must meet the **Mandatory CPD = 5 hours AND Non-mandatory CPD = 25 hours** (equivalent to 30 CPD hours).
- 4.3. Mandatory CPD = 5 hours:
  - 4.3.1. Based on approved list of trainings that are approved by BNM and/or AIA.
  - 4.3.2. At any point, the CPD hours are **NOT** transferable from or replaceable by other trainings unless permitted by BNM and/or AIA.
  - 4.3.3. Must be accredited with full attendance recorded in LMS, completion of the full training and passed the examinations, where applicable.
- 4.4. **Totally New Life Planner (TNLP)** must complete the **5+25 CPD Hours** effective from their 2<sup>nd</sup> year onwards.
- 4.5. Illustration:

Based on KPI 4	Example 1	Example 2	Example 3
Year	2020	2021	2022
Total Completed CPD Hours	Mandatory = 5 Non-mandatory = 25 Total = 30 Meet requirements	Mandatory = 4 Non-mandatory = 30 Total = 34 <b>Failed requirements</b> (Shortfall of 1 CPD hour for Mandatory requirements)	Mandatory = 8 Non-mandatory = 35 Total = 43 Meet requirements
<b>BSC Score for KPI 4</b>	<b>100%</b>	<b>0%</b>	<b>100%</b>

5. Illustrations and Calculations for Total BSC Score (TBSC):

5.1. Example 1:

Example 1					
KPI	Weightage (Fixed %)	Balanced Scorecard (BSC)			
		Actual Achievements	Individual Score	Score Calculation	TKPI
<b>KPI 1:</b> CFF Option 1 or 2 (Current Year Achievement)	20	70% + Meets min 12 cases or RM 30K ANP/ANC	100%	20% x 100% = 20%	<b>20.00%</b>
<b>KPI 2A:</b> D1 Persistency, D1 PR (Prior Year Achievement)	25	90.00%	100%	25% x 100% = 25%	<b>25.00%</b>
<b>KPI 2B:</b> D2 Persistency, D2 PR (Prior Year Achievement)	30	80.00%	100%	30% x 100% = 30%	<b>30.00%</b>
<b>KPI 3:</b> Zero Complaints (Current Year Achievement)	10	Met	100%	10% x 100% = 10%	<b>10.00%</b>
<b>KPI 4:</b> 5+25 CPD Hours (Prior Year Achievement)	15	Met	100%	15% x 100% = 15%	<b>15.00%</b>
<b>TBSC</b>	100				<b>100.00%</b>
<b>Notes:</b>					
<ul style="list-style-type: none"> <li>TBSC = Total BSC Score; TKPI = Total Individual KPI Score</li> <li>The TBSC for the above example is <b>100.00%</b> for the Life Planner.</li> <li>Above calculation is to demonstrate the BSC calculations only. Kindly refer to BSC Bonus Payment section on payment.</li> </ul>					

5.2. Example 2:

Example 2					
KPI	Weightage (Fixed %)	Balanced Scorecard (BSC)			
		Actual Achievements	Individual Score	Score Calculation	TKPI
<b>KPI 1:</b> CFF Option 1 or 2 (Current Year Achievement)	20	90% + Meets min 12 cases or RM 30K ANP/ANC	150%	20% x 150% = 30%	<b>30.00%</b>
<b>KPI 2A:</b> D1 Persistency, D1 PR (Prior Year Achievement)	25	95.00%	150%	25% x 150% = 37.50%	<b>37.50%</b>
<b>KPI 2B:</b> D2 Persistency, D2 PR (Prior Year Achievement)	30	90.00%	150%	30% x 150% = 45%	<b>45.00%</b>
<b>KPI 3:</b> Zero Complaints (Current Year Achievement)	10	Met	100%	10% x 100% = 10%	<b>10.00%</b>
<b>KPI 4:</b> 5+25 CPD Hours (Prior Year Achievement)	15	Met	100%	15% x 100% = 15%	<b>15.00%</b>
<b>TBSC</b>	100				<b>137.50%</b>
<b>Notes:</b>					
<ul style="list-style-type: none"> <li>TBSC = Total BSC Score; TKPI = Total Individual KPI Score</li> <li>The TBSC for the above example is <b>137.50%</b> for the Life Planner (which is the maximum BSC Score one can achieve).</li> <li>Above calculation is to demonstrate the BSC calculations only. Kindly refer to BSC Bonus Payment section on payment.</li> </ul>					

5.3. Example 3:

Example 3					
KPI	Weightage (Fixed %)	Balanced Scorecard (BSC)			
		Actual Achievements	Individual Score	Score Calculation	TKPI
<b>KPI 1:</b> CFF Option 1 or 2 (Current Year Achievement)	20	90% + Meets min 12 cases or RM 30K ANP/ANC	150%	20% x 150% = 30%	<b>30.00%</b>
<b>KPI 2A:</b> D1 Persistency, D1 PR (Prior Year Achievement)	25	92.00%	100%	25% x 100% = 25%	<b>25.00%</b>
<b>KPI 2B:</b> D2 Persistency, D2 PR (Prior Year Achievement)	30	77.00%	75%	30% x 75% = 22.50%	<b>22.50%</b>
<b>KPI 3:</b> Zero Complaints (Current Year Achievement)	10	Met	100%	10% x 100% = 10%	<b>10.00%</b>
<b>KPI 4:</b> 5+25 CPD Hours (Prior Year Achievement)	15	Met	100%	15% x 100% = 15%	<b>15.00%</b>
<b>TBSC</b>	100				<b>102.50%</b>

**Notes:**

- TBSC = Total BSC Score; TKPI = Total Individual KPI Score
- The TBSC for the above example is **102.50%** for the Life Planner.
- Above calculation is to demonstrate the BSC calculations only. Kindly refer to BSC Bonus Payment section on payment.

5.4. Example 4:

Example 4					
KPI	Weightage (Fixed %)	Balanced Scorecard (BSC)			
		Actual Achievements	Individual Score	Score Calculation	TKPI
<b>KPI 1:</b> CFF Option 1 or 2 (Current Year Achievement)	20	90% + Failed to meet min 12 cases or RM 30K ANP/ANC	100%	20% x 100% = 20%	<b>20.00%</b>
<b>KPI 2A:</b> D1 Persistency, D1 PR (Prior Year Achievement)	25	95.00%	150%	25% x 150% = 37.50%	<b>37.50%</b>
<b>KPI 2B:</b> D2 Persistency, D2 PR (Prior Year Achievement)	30	74.99%	0%	30% x 0% = 0%	<b>0.00%</b>
<b>KPI 3:</b> Zero Complaints (Current Year Achievement)	10	Failed	0%	10% x 0% = 0%	<b>0.00%</b>
<b>KPI 4:</b> 5+25 CPD Hours (Prior Year Achievement)	15	Met	100%	15% x 100% = 15%	<b>15.00%</b>
<b>TBSC</b>	100				<b>72.50%</b>

**Notes:**

- TBSC = Total BSC Score; TKPI = Total Individual KPI Score
- The TBSC for the above example is **72.50%** for the Life Planner.
- Above calculation is to demonstrate the BSC calculations only. Kindly refer to BSC Bonus Payment section on payment.

## 2.3. BSC BONUS CALCULATION

### 1. Life Planner BSC Bonus:

1.1. **Eligibility:** All Ranks who are still in-forced with AIA.

1.2. **The bonus is determined based on the respective individual Life Planner's or Leader's Personal Sales TBSC and STBSC.**

1.3. **General Formula:**

$$\text{Monthly BSC Bonus (MBB)} = \text{Total Collected Premiums} \times \text{Total BSC Score (TBSC) Up To 100\%} \times \text{BSC Bonus Rate}$$

$$\text{Annual BSC Bonus (ABB)} = \text{Total Collected Premiums} \times \text{Surplus of TBSC (STBSC)} \times \text{BSC Bonus Rate}$$

1.3.1. **Total Collected Premiums** refer to the First Year Premium (FYP) or Renewal Premium (RP) collected by the individual Life Planner or Leader under Personal Sales.

1.3.2. **Total BSC Score (TBSC)** refers to the calculated score based on the individual Life Planner or Leader under Personal Sales as of respective month end.

1.3.3. **Surplus of TBSC (STBSC)** refers to the calculated net score higher than 100% based on the individual Life Planner or Leader under Personal Sales as of year-end (e.g. If TBSC = 120%, STBSC = 20%).

1.3.4. **BSC Bonus Rates** refer to the rate tables as follows:

1.3.4.1. Life Planner **Monthly** BSC Bonus (LPMBB)

1.3.4.2. Life Planner **Annual** BSC Bonus (LPABB)

1.3.4.3. Kindly refer to the respective section for more details on the BSC Bonus Rates.

### 2. Manager Direct Team BSC Bonus:

2.1. **Eligibility:** Unit Manager (UM) and District Manager (DM) who are still in-forced with AIA.

2.2. **The bonus is for UM or DM and determined based on their Direct Team individual Life Planner's TBSC and STBSC.**

2.3. **General Formula:**

$$\text{Monthly BSC Bonus (MBB)} = \text{Total Collected Premiums by Direct Team Individual Life Planner} \times \text{Direct Team Individual Life Planner's TBSC Up To 100\%} \times \text{BSC Bonus Rate}$$

$$\text{Annual BSC Bonus (ABB)} = \text{Total Collected Premiums by Direct Team Individual Life Planner} \times \text{Direct Team Individual Life Planner's STBSC} \times \text{BSC Bonus Rate}$$

2.3.1. **Direct Team** refers to the UM/DM's Direct Team.

2.3.2. **Total Collected Premiums by Direct Team Individual Life Planner** refer to the First Year Premium (FYP) or Renewal Premium (RP) collected by the individual Life Planner under the Direct Team.

2.3.3. **Direct Team Individual Life Planner's TBSC Up To 100%** refers to the calculated score up to 100% based on the individual Life Planner under Direct Team as of respective month end.

2.3.4. **Direct Team Individual Life Planner's STBSC** refers to the calculated net score higher than 100% based on the individual Life Planner under Direct Team as of year-end (e.g. If TBSC = 120%, STBSC = 20%).

2.3.5. Calculations is based on each separate individual Life Planner's TBSC or STBSC within the leader's Direct Team.

2.3.6. Calculations is **NOT** by any means based on any average or total sum of the score.

2.3.7. **BSC Bonus Rates** refer to the rate tables as follows:

2.3.7.1. Unit Manager **Monthly Direct** BSC Bonus (UMMDBB)

2.3.7.2. District Manager **Monthly Direct** BSC Bonus (DMMDBB)

2.3.7.3. Unit Manager **Annual Direct** BSC Bonus (UMADBB)

2.3.7.4. District Manager **Annual Direct** BSC Bonus (DMADBB)

2.3.7.5. Kindly refer to the respective section for more details on the BSC Bonus Rates.

**3. Manager Indirect Team BSC Bonus:**

**3.1. Eligibility:** District Manager (DM) who are still in-forced with AIA.

**3.2. The bonus is for DM and determined based on their Indirect Team individual Life Planner’s TBSC and STBSC.**

**3.3. General Formula:**

$$\text{Monthly BSC Bonus (MBB)} = \frac{\text{Total Collected Premiums by Indirect Team Individual Life Planner}}{\text{Individual Life Planner}} \times \frac{\text{Indirect Team Individual Life Planner's TBSC Up To 100\%}}{\text{To 100\%}} \times \text{BSC Bonus Rate}$$

$$\text{Annual BSC Bonus (ABB)} = \frac{\text{Total Collected Premiums by Indirect Team Individual Life Planner}}{\text{Individual Life Planner}} \times \text{Indirect Team Individual Life Planner's STBSC} \times \text{BSC Bonus Rate}$$

- 3.3.1. **Indirect Team** refers to the DM’s downline UM’s Direct Team.
- 3.3.2. **Total Collected Premiums by Indirect Team Individual Life Planner** refer to the First Year Premium (FYP) or Renewal Premium (RP) collected by the individual Life Planner under the Indirect Team.
- 3.3.3. **Indirect Team Individual Life Planner’s TBSC Up To 100%** refers to the calculated score up to 100% based on the individual Life Planner under Indirect Team as of respective month end.
- 3.3.4. **Indirect Team Individual Life Planner’s STBSC** refers to the calculated net score higher than 100% based on the individual Life Planner under Indirect Team as of year-end (e.g. If TBSC = 120%, STBSC = 20%).
- 3.3.5. Calculations is based on each separate individual Life Planner’s TBSC or STBSC within the leader’s Indirect Team.
- 3.3.6. Calculations is **NOT** by any means based on any average or total sum of the score.
- 3.3.7. **BSC Bonus Rates** refer to the rate tables as follows:
  - 3.3.7.1. District Manager **Monthly Indirect** BSC Bonus (DMMIBB)
  - 3.3.7.2. District Manager **Annual Indirect** BSC Bonus (DMAIBB)
  - 3.3.7.3. Kindly refer to the respective section for more details on the BSC Bonus Rates.

**4. Manager Parallel Overriding BSC Bonus:**

**4.1. Eligibility:** District Manager (DM) who are still in-forced with AIA.

**4.2. The bonus is for DM and determined based on their Daughter DM’s Direct Team individual Life Planner’s TBSC and STBSC.**

**4.3. General Formula:**

$$\text{Monthly BSC Bonus (MBB)} = \frac{\text{Total Collected Premiums by Daughter DM's Direct Team Individual Life Planner}}{\text{Individual Life Planner}} \times \frac{\text{Daughter DM's Direct Team Individual Life Planner's TBSC Up To 100\%}}{\text{TBSC Up To 100\%}} \times \text{BSC Bonus Rate}$$

$$\text{Annual BSC Bonus (ABB)} = \frac{\text{Total Collected Premiums by Daughter DM's Direct Team Individual Life Planner}}{\text{Individual Life Planner}} \times \text{Daughter DM's Direct Team Individual Life Planner's STBSC Up To 100\%} \times \text{BSC Bonus Rate}$$

- 4.3.1. **Daughter DM’s Direct Team** refers to the Mother DM’s one level downline spin-off DM’s Direct Team.
- 4.3.2. **Total Collected Premiums by Daughter DM’s Direct Team Individual Life Planner** refer to the First Year Premium (FYP) or Renewal Premium (RP) collected by the individual Life Planner under the Daughter DM’s Direct Team.
- 4.3.3. **Daughter DM’s Direct Team Individual Life Planner’s TBSC Up To 100%** refers to the calculated score up to 100% based on the individual Life Planner under Daughter DM’s Direct Team as of respective month end.
- 4.3.4. **Daughter DM’s Direct Team Individual Life Planner’s STBSC** refers to the calculated net score higher than 100% based on the individual Life Planner under Daughter DM’s Direct Team as of year-end (e.g. If TBSC = 120%, STBSC = 20%).
- 4.3.5. Calculations is based on each separate individual Life Planner’s TBSC or STBSC within the Daughter DM’s Direct Team.
- 4.3.6. Calculations is **NOT** by any means based on any average or total sum of the score.

4.3.7. **BSC Bonus Rates** refer to the rate tables as follows:

4.3.7.1. District Manager **Monthly Parallel Overriding** BSC Bonus (DMMPOBB)

4.3.7.2. District Manager **Annual Parallel Overriding** BSC Bonus (DMAPOBB)

4.3.7.3. Kindly refer to the respective section for more details on the BSC Bonus Rates.

**5. Illustrations and Calculations for Life Planner BSC Bonus:**

**Scenario 1:**

- Based on one (1) Traditional Life policy with 20 years Policy Paying Term for each year.
- Life Planner's own TBSC = 100% for all 3 years.

Life Planner BSC Bonus						
Year	2020		2021		2022	
<b>Policy Paying Term</b>	20 years		20 years		20 years	
<b>Total BSC Score</b>	100%		100%		100%	
<b>BSC Bonus Rate</b> (% of Premium)	8.5%, 13%, 10%		8.5%, 13%, 10%		8.5%, 13%, 10%	
<b>Y1 FYP</b>	280K	280K x 100% x 8.5% = 23.8K	470K	470K x 100% x 8.5% = 39.95K	175K	175K x 100% x 8.5% = 14.88K
<b>Y2 RP</b>			260K	260K x 100% x 13% = 33.8K	460K	460K x 100% x 13% = 59.8K
<b>Y3 RP</b>					250K	250K x 100% x 10% = 25K
<b>Total LPMBB (RM)</b>		<b>23.8K</b>		<b>73.75K</b>		<b>99.68K</b>

**Scenario 2:**

- Based on one (1) Traditional Life policy with 20 years Policy Paying Term for each year.
- Life Planner's own Total BSC Score (TBSC):
  - 2020 TBSC = 81.25%.
  - 2021 TBSC = 100%.
  - 2022 TBSC = 112.5%.

Life Planner BSC Bonus						
Year	2020		2021		2022	
<b>Policy Paying Term</b>	20 years		20 years		20 years	
<b>Total BSC Score</b>	81.25%		100%		112.5%	
<b>Monthly BSC Bonus (MBB)</b> Calculation up to TBSC = 100%						
<b>BSC Bonus Rate</b> (% of Premium)	8.5%, 13%, 10%		8.5%, 13%, 10%		8.5%, 13%, 10%	
<b>Y1 FYP</b>	280K	280K x 81.25% x 8.5% = 19.34K	470K	470K x 100% x 8.5% = 39.95K	175K	175K x 100% x 8.5% = 14.88K
<b>Y2 RP</b>			260K	260K x 100% x 13% = 33.8K	460K	460K x 100% x 13% = 59.8K
<b>Y3 RP</b>					250K	250K x 100% x 10% = 25K
<b>Total LPMBB (RM)</b>		<b>19.34K</b>		<b>73.75K</b>		<b>99.68K</b>
<b>Annual BSC Bonus (ABB)</b> Calculation for STBSC						
<b>BSC Bonus Rate</b> (% of Premium)	8.5%, 13%, 10%		8.5%, 13%, 10%		8.5%, 13%, 10%	
<b>Y1 FYP</b>	280K	280K x 0% x 8.5% = Zero	470K	470K x 0% x 8.5% = Zero	175K	175K x 12.5% x 8.5% = 1.86K
<b>Y2 RP</b>			260K	260K x 0% x 13% = Zero	460K	460K x 12.5% x 13% = 7.48K
<b>Y3 RP</b>					250K	250K x 12.5% x 10% = 3.13K
<b>Total LPABB (RM)</b>		<b>Zero</b>		<b>Zero</b>		<b>12.47K</b>

Note: BSC Bonus will be paid separately in accordance to Monthly BSC Bonus (MBB) and Annual BSC Bonus (ABB).

**Scenario 3:**

- Based on one (1) Traditional Life policy:
  - with 20 years Policy Paying Term for 2020.
  - with 15 years Policy Paying Term for 2021.
  - with 10 years Policy Paying Term for 2022.
- Life Planner's own Total BSC Score (TBSC):
  - 2020 TBSC = 81.25%.
  - 2021 TBSC = 100%.
  - 2022 TBSC = 112.5%.

Life Planner BSC Bonus						
Year	2020		2021		2022	
<b>Policy Paying Term</b>	20 years		15 years		10 years	
<b>Total BSC Score</b>	81.25%		100%		112.5%	
<b>Monthly BSC Bonus (MBB)</b> Calculation up to TBSC = 100%						
<b>BSC Bonus Rate</b> (% of Premium)	8.5%, 13%, 10%		6.37%, 9.75%, 7.5%		4.25%, 6.5%, 5%	
<b>Y1 FYP</b>	280K	$280K \times 81.25\% \times 8.5\% = 19.34K$	470K	$470K \times 100\% \times 6.37\% = 29.94K$	175K	$175K \times 100\% \times 4.25\% = 7.44K$
<b>Y2 RP</b>			260K	$260K \times 100\% \times 13\% = 33.8K$	460K	$460K \times 100\% \times 9.75\% = 44.85K$
<b>Y3 RP</b>					250K	$250K \times 100\% \times 10\% = 25K$
<b>Total LPMBB (RM)</b>		<b>19.34K</b>		<b>63.74K</b>		<b>77.29K</b>
<b>Annual BSC Bonus (ABB)</b> Calculation for STBSC						
<b>BSC Bonus Rate</b> (% of Premium)	8.5%, 13%, 10%		6.37%, 9.75%, 7.5%		4.25%, 6.5%, 5%	
<b>Y1 FYP</b>	280K	$280K \times 0\% \times 8.5\% = \text{Zero}$	470K	$470K \times 0\% \times 6.37\% = \text{Zero}$	175K	$175K \times 12.5\% \times 4.25\% = 0.93K$
<b>Y2 RP</b>			260K	$260K \times 0\% \times 13\% = \text{Zero}$	460K	$460K \times 12.5\% \times 9.75\% = 5.61K$
<b>Y3 RP</b>					250K	$250K \times 12.5\% \times 10\% = 3.13K$
<b>Total LPABB (RM)</b>		<b>Zero</b>		<b>Zero</b>		<b>9.67K</b>

Note: BSC Bonus will be paid separately in accordance to Monthly BSC Bonus (MBB) and Annual BSC Bonus (ABB).

**Scenario 4:**

- Based on one (1) Traditional Life policy:
  - with 20 years Policy Paying Term for 2020.
  - with 15 years Policy Paying Term for 2021.
  - with 10 years Policy Paying Term for 2022.
- Life Planner's own Total BSC Score (TBSC):
  - 2020 TBSC = 135%.
  - 2021 TBSC = 125%.
  - 2022 TBSC = 115%.

Life Planner BSC Bonus						
Year	2020		2021		2022	
<b>Policy Paying Term</b>	20 years		15 years		10 years	
<b>Total BSC Score</b>	135%		125%		115%	
Monthly BSC Bonus (MBB) Calculation up to TBSC = 100%						
<b>BSC Bonus Rate (% of Premium)</b>	8.5%, 13%, 10%		6.37%, 9.75%, 7.5%		4.25%, 6.5%, 5%	
<b>Y1 FYP</b>	280K	280K x 100% x 8.5% = 23.8K	470K	470K x 100% x 6.37% = 29.94K	175K	175K x 100% x 4.25% = 7.44K
<b>Y2 RP</b>			260K	260K x 100% x 13% = 33.8K	460K	460K x 100% x 9.75% = 44.85K
<b>Y3 RP</b>					250K	250K x 100% x 10% = 25K
<b>Total LPMBB (RM)</b>		<b>23.8K</b>		<b>63.74K</b>		<b>77.29K</b>
Annual BSC Bonus (ABB) Calculation for STBSC						
<b>BSC Bonus Rate (% of Premium)</b>	8.5%, 13%, 10%		6.37%, 9.75%, 7.5%		4.25%, 6.5%, 5%	
<b>Y1 FYP</b>	280K	280K x 35% x 8.5% = 8.33K	470K	470K x 25% x 6.37% = 7.48K	175K	175K x 15% x 4.25% = 1.12K
<b>Y2 RP</b>			260K	260K x 25% x 13% = 8.45K	460K	460K x 15% x 9.75% = 6.73K
<b>Y3 RP</b>					250K	250K x 15% x 10% = 3.75K
<b>Total LPABB (RM)</b>		<b>8.31K</b>		<b>15.93K</b>		<b>11.6K</b>

Note: BSC Bonus will be paid separately in accordance to Monthly BSC Bonus (MBB) and Annual BSC Bonus (ABB).

**6. Illustrations and Calculations for Manager Direct Team BSC Bonus:**

**Scenario 1:**

- Based on one (1) Life Planner under Direct Team reporting to the UM.
- Life Planner has captured one (1) Traditional Life policy with 20 years Policy Paying Term for each year.
- Life Planner's own TBSC = 100% for all 3 years

Manager Direct Team BSC Bonus						
Year	2020		2021		2022	
<b>Policy Paying Term</b>	20 years		20 years		20 years	
<b>Total BSC Score</b>	100%		100%		100%	
<b>BSC Bonus Rate (% of Premium)</b>	2.5%, 3%, 2%		2.5%, 3%, 2%		2.5%, 3%, 2%	
<b>Y1 FYP</b>	280K	280K x 100% x 2.5% = 7K	470K	470K x 100% x 2.5% = 11.75K	175K	175K x 100% x 2.5% = 4.38K
<b>Y2 RP</b>			260K	260K x 100% x 3% = 7.8K	460K	460K x 100% x 3% = 13.8K
<b>Y3 RP</b>					250K	250K x 100% x 2% = 5K
<b>Total UMMDBB (RM)</b>		<b>7K</b>		<b>19.55K</b>		<b>23.18K</b>



**Scenario 2:**

- Based on one (1) Life Planner under Direct Team reporting to the DM.
- Life Planner has captured one (1) Traditional Life policy with 20 years Policy Paying Term for each year.
- Life Planner's own Total BSC Score (TBSC):
  - 2020 TBSC = 120%.
  - 2021 TBSC = 100%.
  - 2022 TBSC = 137.5%.

Manager Direct Team BSC Bonus						
Year	2020		2021		2022	
<b>Policy Paying Term</b>	20 years		20 years		20 years	
<b>Total BSC Score</b>	120%		100%		137.5%	
<b>Monthly BSC Bonus (MBB)</b> Calculation up to TBSC = 100%						
<b>BSC Bonus Rate</b> (% of Premium)	2.5%, 3%, 2%		2.5%, 3%, 2%		2.5%, 3%, 2%	
<b>Y1 FYP</b>	280K	280K x 100% x 2.5% = 7K	470K	470K x 100% x 2.5% = 11.75K	175K	175K x 100% x 2.5% = 4.38K
<b>Y2 RP</b>			260K	260K x 100% x 3% = 7.8K	460K	460K x 100% x 3% = 13.8K
<b>Y3 RP</b>					250K	250K x 100% x 2% = 5K
<b>Total DMMDBB (RM)</b>		<b>7K</b>		<b>19.55K</b>		<b>23.18K</b>
<b>Annual BSC Bonus (ABB)</b> Calculation for STBSC						
<b>BSC Bonus Rate</b> (% of Premium)	2.5%, 3%, 2%		2.5%, 3%, 2%		2.5%, 3%, 2%	
<b>Y1 FYP</b>	280K	280K x 20% x 2.5% = 1.4K	470K	470K x 0% x 2.5% = Zero	175K	175K x 37.5% x 2.5% = 1.64K
<b>Y2 RP</b>			260K	260K x 0% x 3% = Zero	460K	460K x 37.5% x 3% = 5.18K
<b>Y3 RP</b>					250K	250K x 37.5% x 2% = 1.88K
<b>Total DMADBB (RM)</b>		<b>1.39K</b>		<b>Zero</b>		<b>8.7K</b>

Note: BSC Bonus will be paid separately in accordance to Monthly BSC Bonus (MBB) and Annual BSC Bonus (ABB).

**3.0**

# **LIFE PLANNER CATEGORY**

### 3.0. LIFE PLANNER CATEGORY

#### 3.1. LIFE PLANNER FIXED COMMISSION

- Eligibility:** All Ranks who are still in-forced with AIA.
- Life Planner Fixed Commission:**

Traditional Life Premium						
Policy Paying Term (Years)	Life Planner Fixed Commission (% of Premium at Policy Year)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
20 and Above	31.50	17.00	10.00	15.00	10.00	10.00
19	29.92	16.15	9.50	14.25	9.50	9.50
18	28.35	15.30	9.00	13.50	9.00	9.00
17	26.77	14.45	8.50	12.75	8.50	8.50
16	25.20	13.60	8.00	12.00	8.00	8.00
15	23.62	12.75	7.50	11.25	7.50	7.50
14	22.05	11.90	7.00	10.50	7.00	7.00
13	20.47	11.05	6.50	9.75	6.50	6.50
12	18.90	10.20	6.00	9.00	6.00	6.00
11	17.32	9.35	5.50	8.25	5.50	5.50
10	15.75	8.50	5.00	7.50	5.00	5.00
9	14.17	7.65	4.50	6.75	4.50	4.50
8	12.60	6.80	4.00	6.00	4.00	4.00
7	11.02	5.95	3.50	5.25	3.50	3.50
6	9.45	5.10	3.00	4.50	3.00	3.00
5	9.20	4.93	2.75	4.00	2.50	-
4	8.30	4.40	2.50	3.50	-	-
3	8.03	4.00	2.00	-	-	-
2	7.80	1.55	-	-	-	-
Yearly Renewal Term Premium (YRT): For Every Renewal Year	7.00	-	-	-	-	-

Investment-Linked Regular Premium						
Policy Paying Term (Years)	Life Planner Fixed Commission (% of Premium at Policy Year)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
20 and Above	17.50	12.50	10.00	18.00	15.00	15.00
19	16.62	11.87	9.50	17.10	14.25	14.25
18	15.75	11.25	9.00	16.20	13.50	13.50
17	14.87	10.62	8.50	15.30	12.75	12.75
16	14.00	10.00	8.00	14.40	12.00	12.00
15	13.12	9.37	7.50	13.50	11.25	11.25
14	12.25	8.75	7.00	12.60	10.50	10.50
13	11.37	8.12	6.50	11.70	9.75	9.75
12	10.50	7.50	6.00	10.80	9.00	9.00
11	9.62	6.87	5.50	9.90	8.25	8.25
10	8.75	6.25	5.00	9.00	7.50	7.50
9	7.87	5.62	4.50	8.10	6.75	6.75
8	7.00	5.00	4.00	7.20	6.00	6.00
7	6.12	4.87	3.00	6.30	5.25	5.25
6	5.75	4.75	3.00	4.50	4.40	4.00
5	5.75	4.50	3.25	4.50	4.00	-
4	5.50	4.50	3.30	4.30	-	-
3	5.25	4.50	3.45	-	-	-
2	4.65	4.15	-	-	-	-
<b>ILP: Single Premium, Top-up Premium (Scheduled/Ad Hoc) and A-Plus Saver</b>						
Every Top-up	3.00					

### 3.2. LIFE PLANNER BSC BONUS

1. **Eligibility:** All Ranks who are still in-forced with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **Life Planner Monthly BSC Bonus (LPMBB):**
  - 3.1. The Life Planner Monthly BSC Bonus (LPMBB) is based the individual Life Planner’s TBSC up to 100%.
  - 3.2. Life Planner that achieved TBSC ≤ 100% → Below rates multiply with the actual TBSC and collected premiums.
4. **Life Planner Annual BSC Bonus (LPABB):**
  - 4.1. The Life Planner Annual BSC Bonus (LPABB) is based the individual Life Planner’s Surplus of TBSC (STBSC).
  - 4.2. Surplus of TBSC (STBSC) refers to the net score higher than 100% (e.g. If TBSC = 120%, the STBSC = 20%).
  - 4.3. Life Planner that achieved STBSC ≥ 37.5% → Below rates multiply with the actual STBSC and collected premiums.
5. **The BSC Bonus Rate for LPMBB and LPABB:**

Traditional Life Premium			
Policy Paying Term (Years)	Life Planner BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and Above	8.50	13.00	10.00
19	8.07	12.35	9.50
18	7.65	11.70	9.00
17	7.22	11.05	8.50
16	6.80	10.40	8.00
15	6.37	9.75	7.50
14	5.95	9.10	7.00
13	5.52	8.45	6.50
12	5.10	7.80	6.00
11	4.67	7.15	5.50
10	4.25	6.50	5.00
9	3.82	5.85	4.50
8	3.40	5.20	4.00
7	2.97	4.55	3.50
6	2.55	3.90	3.00
5	2.12	3.25	2.50
4	1.70	2.60	2.00
3	1.27	1.95	1.50
2	1.20	1.95	-

Investment-Linked Regular Premium			
Policy Paying Term (Years)	Life Planner BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and Above	7.50	12.50	9.00
19	7.12	11.88	8.55
18	6.75	11.25	8.10
17	6.37	10.63	7.65
16	6.00	10.00	7.20
15	5.62	9.38	6.75
14	5.25	8.75	6.30
13	4.87	8.13	5.85
12	4.50	7.50	5.40
11	4.12	6.88	4.95
10	3.75	6.25	4.50
9	3.37	5.63	4.05
8	3.00	5.00	3.60
7	2.62	4.38	3.15
6	2.25	3.75	2.70
5	1.88	3.12	2.25
4	1.50	2.50	1.80
3	1.12	1.88	1.35
2	1.10	1.80	-

### 3.3. LIFE PLANNER PROVIDENT FUND (MAPF/TAPF)

1. **Eligibility:** All Ranks who are still in-force with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **Requirements:**

#### Life Planner Provident Fund (MAPF/TAPF)

**1% x 7<sup>th</sup> to 20<sup>th</sup> year collected renewal regular premium/contribution with minimum 10 years payment term.**

#### Examples:

- If the Policy/Certificate Paying Term is 15 years, the MAPF/TAPF contribution will be based on 1% x 7<sup>th</sup> to 15<sup>th</sup> year renewal regular premium.
- If the Policy/Certificate Paying Term is 8 years, no MAPF/TAPF contribution will be counted.

- 3.1. Provident fund derived from Individual Life business lines will be credited to **MAPF**.
- 3.2. Provident fund derived from Family Takaful business lines will be credited to **TAPF**.

#### 4. **Withdrawal Conditions:**

- 4.1. Full Withdrawal:
  - 4.1.1. Withdrawal is allowed upon attaining age 55.
  - 4.1.2. MAPF – For in-force Life Planners, future contributions after full withdrawal will be credited into their commission statement, and thereafter will be treated as taxable income.
  - 4.1.3. TAPF – For in-force Life Planners, future contributions after full withdrawal will be credited into their commission statement and continue to be treated as taxable income.
- 4.2. Partial Withdrawal:
  - 4.2.1. Withdrawal is allowed for in-force Life Planners upon attaining age 55.
  - 4.2.2. Withdrawal is restricted to either 25%, 50% or 75% of the fund balance.
  - 4.2.3. Limited up to maximum 4 withdrawals within a calendar year (from January to December).
- 4.3. Transfer to EPF Account (KWSP):
  - 4.3.1. Only applicable for terminated Life Planners below 55 years old.
- 4.4. If the Life Planner is deceased, the MAPF/TAPF contributed prior to death will be payable to the nominated Beneficiary:
  - 4.4.1. No future MAPF/TAPF contribution will be credited.
- 4.5. For treatment of critical medical conditions, withdrawal will be allowed after AIA's Medical Director has certified that the medical condition is critical.

### 3.4. NEW UM START UP BONUS

1. **Eligibility:** Assistant Unit Manager (AUM) who are still in-force with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **Requirements:**

New UM Start Up Bonus	
Requirement	Cash Reward
AUM who is promoted to UM within 24 months from AUM appointment date	5% x AUM's downlines total FYP up to 24 months prior to UM appointment.
<b>Notes:</b>	
1) AUM's downlines refer to Life Planners (LP) or Assistant Unit Managers (AUM) that is under the new Unit Manager (UM) code after the AUM is promoted to UM rank.	
2) Total FYP excludes the AUM's own <b>AND</b> immediate family members' (parents, children and spouse) personal production.	

#### 4. Rules:

- 4.1. The Assistant Unit Manager (AUM) will be entitled to New UM Start Up Bonus:
  - 4.1.1. If the AUM is appointed to UM within **24 months** from the AUM appointment date, **AND**
  - 4.1.2. If the AUM who is appointed to UM for the 1st time.
- 4.2. Reappointed AUM or UM will **NOT** be eligible to participate in New UM Start Up Bonus.
- 4.3. UM appointed directly from Life Planner will **NOT** be eligible to participate in New UM Start Up Bonus.
- 4.4. 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 UM the latest by January 2021 to be eligible for New UM Start Up Bonus.
- 4.5. The bonus is based on total 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 1<sup>st</sup> 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 <sup>st</sup> July 2018	1 <sup>st</sup> January 2019	1 <sup>st</sup> July 2018 – 31 <sup>st</sup> December 2018 (6 months)
1 <sup>st</sup> July 2018	1 <sup>st</sup> January 2020	1 <sup>st</sup> July 2018 – 31 <sup>st</sup> December 2019 (18 months)
1 <sup>st</sup> July 2018	1 <sup>st</sup> January 2021	1 <sup>st</sup> January 2019 – 31 <sup>st</sup> December 2020 (24 months max)
1 <sup>st</sup> July 2018	1 <sup>st</sup> January 2022	Not eligible for bonus

Example 1: AUM appointment = 1<sup>st</sup> July 2018  
 UM appointment = 1<sup>st</sup> 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<sup>st</sup> July 2018  
 UM appointment = 1<sup>st</sup> 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<sup>st</sup> July 2018  
UM appointment = 1<sup>st</sup> 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)						

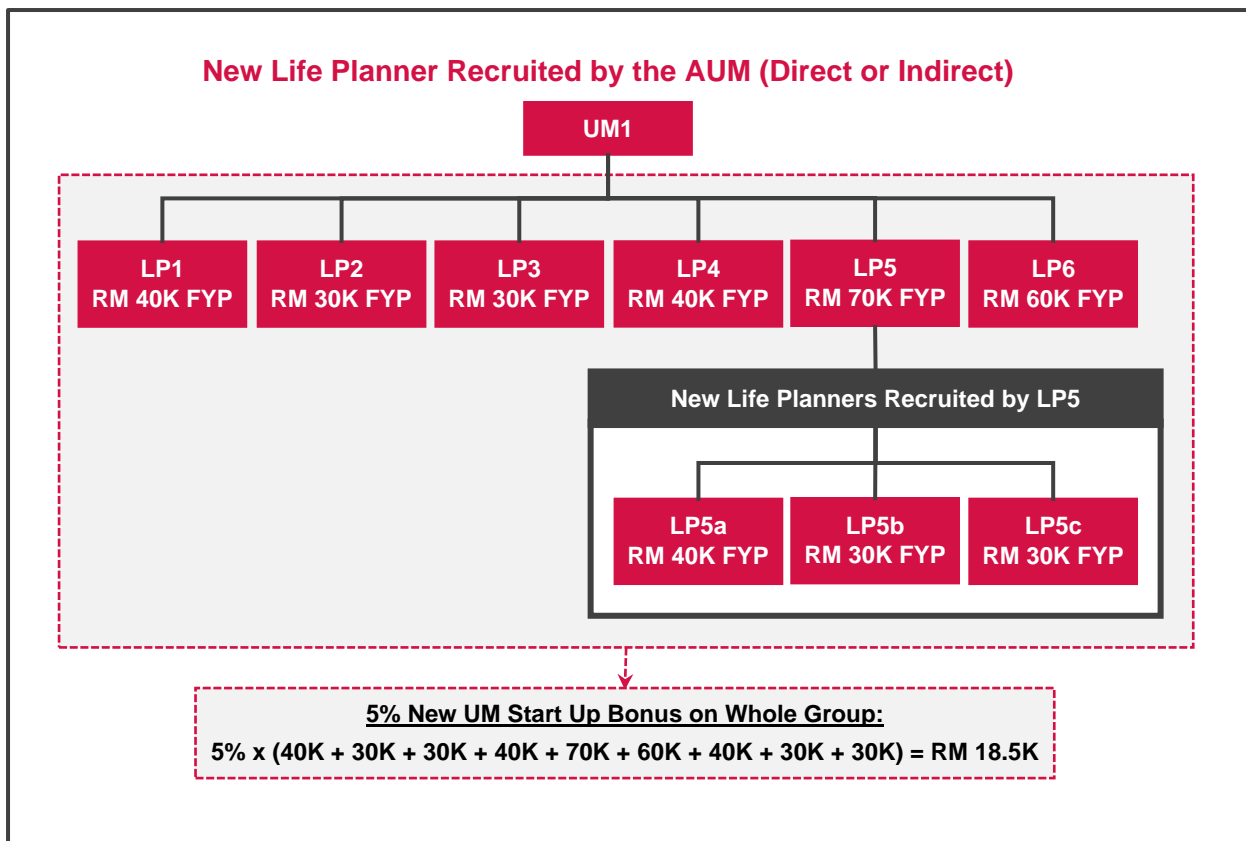
Example 4: AUM appointment = 1<sup>st</sup> July 2018  
UM appointment = 1<sup>st</sup> January 2022

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 <sup>st</sup> January 2022 and onwards, is not eligible for New UM Start Up Bonus								

4.6. Production counted for payment:

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

4.7. Illustration:



4.8. Payment:

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

4.9. Clawback:

- 4.9.1. 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.

4.10. Kindly refer to "General Provisions" section for details on the definition, calculations and illustrations.

**4.0**

**LEADER CATEGORY  
– DIRECT TEAM SALES**



**4.0. LEADER CATEGORY – DIRECT TEAM SALES****4.1. UNIT MANAGER FIXED DIRECT OVERRIDING**

- Eligibility:** Unit Manager (UM) who are still in-forced with AIA.
- Unit Manager Fixed Direct Overriding:**

<b>Traditional Life Premium</b>				
<b>Policy Paying Term (Years)</b>	<b>Unit Manager Fixed Direct Overriding (% of Premium at Policy Year)</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
20 and above	12.50	5.00	2.00	3.00
19	11.87	4.75	1.90	2.85
18	11.25	4.50	1.80	2.70
17	10.62	4.25	1.70	2.55
16	10.00	4.00	1.60	2.40
15	9.37	3.75	1.50	2.25
14	8.75	3.50	1.40	2.10
13	8.12	3.25	1.30	1.95
12	7.50	3.00	1.20	1.80
11	6.87	2.75	1.10	1.65
10	6.25	2.50	1.00	1.50
9	5.62	2.25	0.90	1.35
8	5.00	2.00	0.80	1.20
7	4.37	1.75	0.70	1.05
6	3.75	1.50	0.60	0.90
5	3.12	1.25	0.50	0.75
4	2.50	1.00	0.40	0.60
3	2.26	0.80	0.32	-
2	1.60	0.65	-	-
Single Premium	2.00	-	-	-
Yearly Renewal Term Premium (YRT): For Every Renewal Year	2.00	-	-	-

<b>Investment-Linked Regular Premium</b>				
<b>Policy Paying Term (Years)</b>	<b>Unit Manager Fixed Direct Overriding (% of Premium at Policy Year)</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
20 and above	6.00	8.00	2.50	5.00
19	5.70	7.60	2.37	4.75
18	5.40	7.20	2.25	4.50
17	5.10	6.80	2.12	4.25
16	4.80	6.40	2.00	4.00
15	4.50	6.00	1.87	3.75
14	4.20	5.60	1.75	3.50
13	3.90	5.20	1.62	3.25
12	3.60	4.80	1.50	3.00
11	3.30	4.40	1.37	2.75
10	3.00	4.00	1.25	2.50
9	2.70	3.60	1.12	2.25
8	2.40	3.20	1.00	2.00
7	2.10	2.80	0.87	1.75
6	1.80	2.40	0.75	1.50
5	1.50	2.00	0.62	1.25
4	1.20	1.60	0.50	1.00
3	1.05	1.60	0.57	-
2	0.80	1.35	-	-
<b>ILP: Single Premium, Top-up Premium (Scheduled/Ad Hoc) and A-Plus Saver</b>				
Every Top-up	0.50			

**4.2. UNIT MANAGER DIRECT BSC BONUS**

1. **Eligibility:** Unit Manager (UM) who are still in-force with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **Unit Manager Monthly Direct BSC Bonus (UMMDBB):**
  - 3.1. The Unit Manager Monthly Direct BSC Bonus (UMMDBB) is based the UM’s Direct Team Individual Life Planner’s TBSC up to 100%.
  - 3.2. Life Planner that achieved TBSC ≤ 100% → Below rates multiply with the actual TBSC and collected premiums.
4. **Unit Manager Annual Direct BSC Bonus (UMADBB):**
  - 4.1. The Unit Manager Annual Direct BSC Bonus (UMADBB) is based on the UM’s Direct Team individual Life Planner’s Surplus of TBSC (STBSC).
  - 4.2. Surplus of TBSC (STBSC) refers to the net score higher than 100% (e.g. If TBSC = 120%, the STBSC = 20%).
  - 4.3. Life Planner that achieved STBSC ≥ 37.5% → Below rates multiply with the actual STBSC and collected premiums.
5. **The BSC Bonus Rate for UMDBB and UMADBB:**

Traditional Life Premium			
Policy Paying Term (Years)	Unit Manager Monthly Direct BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and Above	2.50	3.00	2.00
19	2.38	2.84	1.90
18	2.25	2.70	1.80
17	2.13	2.54	1.70
16	2.00	2.40	1.60
15	1.88	2.24	1.50
14	1.75	2.10	1.40
13	1.63	1.94	1.30
12	1.50	1.80	1.20
11	1.38	1.64	1.10
10	1.25	1.50	1.00
9	1.13	1.34	0.90
8	1.00	1.20	0.80
7	0.88	1.04	0.70
6	0.75	0.90	0.60
5	0.63	0.74	0.50
4	0.50	0.60	0.40
3	0.37	0.45	0.30
2	0.35	0.40	-

Investment-Linked Regular Premium			
Policy Paying Term (Years)	Unit Manager Monthly Direct BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and Above	3.00	2.50	2.00
19	2.85	2.37	1.90
18	2.70	2.25	1.80
17	2.55	2.12	1.70
16	2.40	2.00	1.60
15	2.25	1.87	1.50
14	2.10	1.75	1.40
13	1.95	1.62	1.30
12	1.80	1.50	1.20
11	1.65	1.37	1.10
10	1.50	1.25	1.00
9	1.35	1.12	0.90
8	1.20	1.00	0.80
7	1.05	0.87	0.70
6	0.90	0.75	0.60
5	0.75	0.62	0.50
4	0.60	0.50	0.40
3	0.45	0.37	0.30
2	0.40	0.35	-

**4.3. DISTRICT MANAGER FIXED DIRECT OVERRIDING**

1. **Eligibility:** District Manager (DM) who are still in-forced with AIA.
2. **District Manager Fixed Direct Overriding:**

<b>Traditional Life Premium</b>				
<b>Policy Paying Term (Years)</b>	<b>District Manager Fixed Direct Overriding (% of Premium at Policy Year)</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
20 and above	20.50	6.00	3.00	5.00
19	19.47	5.70	2.85	4.75
18	18.45	5.40	2.70	4.50
17	17.42	5.10	2.55	4.25
16	16.40	4.80	2.40	4.00
15	15.37	4.50	2.25	3.75
14	14.35	4.20	2.10	3.50
13	13.32	3.90	1.95	3.25
12	12.30	3.60	1.80	3.00
11	11.27	3.30	1.65	2.75
10	10.25	3.00	1.50	2.50
9	9.22	2.70	1.35	2.25
8	8.20	2.40	1.20	2.00
7	7.17	2.10	1.05	1.75
6	6.15	1.80	0.90	1.50
5	5.12	1.50	0.75	1.25
4	4.10	1.20	0.60	1.00
3	3.86	0.90	0.42	-
2	3.00	0.45	-	-
Yearly Renewal Term Premium (YRT): For Every Renewal Year	3.00	-	-	-

<b>Investment-Linked Regular Premium</b>				
<b>Policy Paying Term (Years)</b>	<b>District Manager Fixed Direct Overriding (% of Premium at Policy Year)</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
20 and above	10.50	11.50	3.00	7.00
19	9.97	10.92	2.85	6.65
18	9.45	10.35	2.70	6.30
17	8.92	9.77	2.55	5.95
16	8.40	9.20	2.40	5.60
15	7.87	8.62	2.25	5.25
14	7.35	8.05	2.10	4.90
13	6.82	7.47	1.95	4.55
12	6.30	6.90	1.80	4.20
11	5.77	6.32	1.65	3.85
10	5.25	5.75	1.50	3.50
9	4.72	5.17	1.35	3.15
8	4.20	4.60	1.20	2.80
7	3.67	4.02	1.05	2.45
6	3.15	3.45	0.90	2.10
5	2.62	2.87	0.75	1.75
4	2.10	2.30	0.60	1.40
3	1.90	2.30	0.60	-
2	1.30	1.90	-	-
<b>ILP: Single Premium, Top-up Premium (Scheduled/Ad Hoc) and A-Plus Saver</b>				
Every Top-up	0.75			

**4.4. DISTRICT MANAGER DIRECT BSC BONUS**

1. **Eligibility:** District Manager (DM) who are still in-force with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **District Manager Monthly Direct BSC Bonus (DMMDBB):**
  - 3.1. The District Manager Monthly Direct BSC Bonus (DMMDBB) is based the DM’s Direct Team individual Life Planner’s TBSC up to 100%. The DM’s direct LP must be within the DM’s Direct Team.
  - 3.2. Life Planner that achieved TBSC ≤ 100% → Below rates multiply with the actual TBSC and collected premiums.
4. **District Manager Annual Direct BSC Bonus (DMADBB):**
  - 4.1. The District Manager Annual Direct BSC Bonus (DMADBB) is based on the DM’s Direct Team individual Life Planner’s Surplus of TBSC (STBSC).
  - 4.2. Surplus of TBSC (STBSC) refers to the net score higher than 100% (e.g. If TBSC = 120%, the STBSC = 20%).
  - 4.3. Life Planner that achieved TBSC ≤ 37.5% → Below rates multiply with the actual STBSC and collected premiums.
5. **The BSC Bonus Rate for DMMDBB and DMADBB:**

Traditional Life Premium			
Policy Paying Term (Years)	District Manager Monthly Direct BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and Above	2.50	4.00	3.00
19	2.37	3.80	2.85
18	2.25	3.60	2.70
17	2.12	3.40	2.55
16	2.00	3.20	2.40
15	1.87	3.00	2.25
14	1.75	2.80	2.10
13	1.62	2.60	1.95
12	1.50	2.40	1.80
11	1.37	2.20	1.65
10	1.25	2.00	1.50
9	1.12	1.80	1.35
8	1.00	1.60	1.20
7	0.87	1.40	1.05
6	0.75	1.20	0.90
5	0.62	1.00	0.75
4	0.50	0.80	0.60
3	0.37	0.60	0.45
2	0.35	0.60	-

Investment-Linked Regular Premium			
Policy Paying Term (Years)	District Manager Monthly Direct BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and Above	2.50	3.50	3.00
19	2.38	3.32	2.85
18	2.25	3.15	2.70
17	2.13	2.97	2.55
16	2.00	2.80	2.40
15	1.88	2.62	2.25
14	1.75	2.45	2.10
13	1.63	2.27	1.95
12	1.50	2.10	1.80
11	1.38	1.92	1.65
10	1.25	1.75	1.50
9	1.13	1.57	1.35
8	1.00	1.40	1.20
7	0.88	1.22	1.05
6	0.75	1.05	0.90
5	0.63	0.87	0.75
4	0.50	0.70	0.60
3	0.37	0.53	0.45
2	0.35	0.55	-

#### 4.5. MANAGER DIRECT PROVIDENT FUND (MDPF/TMDPF)

1. **Eligibility:** Unit Manager (UM) and District Manager (DM) who are still in-forced with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **Requirements:**

Total Individual Life and Family Takaful ANP/ANC (RM)	Min Number of Manpower	Manager Direct Provident Fund (MDPF/TMDPF) (% x 2 <sup>nd</sup> Year Collected Renewal Regular Premium/Contribution)
by Direct Team	by Direct Team	from UM/DM's Direct Team
≥ 1M	4 QLP (inclusive of 2 NQLP)	2.0%
500K to < 1M		1.5%
300K to < 500K		1.0%
150K to < 300K	Not Required	0.5%

**Note:**

- 1) For Tier ≥ RM 300K ANP/ANC: If the manpower requirement is not met, the MDPF/TMDPF will be defaulted to 0.5%.

- 3.1. Provident fund derived from Individual Life business lines will be credited to **MDPF**.
- 3.2. Provident fund derived from Family Takaful business lines will be credited to **TMDPF**.
- 3.3. Quality Life Planner (QLP):
  - 3.3.1. Existing Life Planner who fulfills total current year life ANP/ANC of RM 30K by 31<sup>st</sup> December in any one year with 85% persistency.
- 3.4. New Quality Life Planner (NQLP):
  - 3.4.1. New Life Planner who fulfills total current year life ANP/ANC of RM 30K by 31<sup>st</sup> December in any one year with 85% persistency.
  - 3.4.2. Life Planner that have rejoined within 5 years from the Termination Date, will not be counted as New Quality Life Planner (NQLP).

#### 4. Rules:

- 4.1. Manpower:
  - 4.1.1. Reinstated Life Planner:
    - 4.1.1.1. Will be **INCLUDED** for Quality Life Planner (QLP) count.
    - 4.1.1.2. Will be **INCLUDED** for New Quality Life Planner (NQLP) count if within the NQLP definition.
  - 4.1.2. Rejoined Life Planner:
    - 4.1.2.1. Will be **INCLUDED** for Quality Life Planner (QLP) count.
    - 4.1.2.2. Will be **EXCLUDED** for New Life Planner (NLP) count regardless of how long they have left AIA.
    - 4.1.2.3. Will be **EXCLUDED** for New Quality Life Planner (NQLP) count regardless of how long they have left AIA.
  - 4.1.3. Waiver of Quality Life Planners (QLP):
    - 4.1.3.1. Waiver of 2 NQLP: If the UM's or DM's Direct Team have fulfilled requirements of at least 15 QLP.
  - 4.1.4. Waiver of 4 QLP (including 2 NQLP):
    - 4.1.4.1. If UM or DM aged 55 years and above **AND** has more than 15 years of service period, **OR**
    - 4.1.4.2. If UM or DM with more than 20 years of service period.
- 4.2. Provident Fund Contribution:
  - 4.2.1. The leader's contribution will be credited to qualifier's MDPF/TMDPF account at the end of calendar year.
  - 4.2.2. Leader's contract must be valid at the time of contribution.
- 4.3. Withdrawal is subject to one of the following conditions:
  - 4.3.1. At age 55 or above **AND** have had at least 10 years continuous obligation with AIA.
  - 4.3.2. Certified by AIA's Medical Director as unfit to maintain a leader's contract on account of ill health or accident.
  - 4.3.3. Upon death.
  - 4.3.4. At age 65.

## 4.4. Illustration:

	Example 1	Example 2	Example 3
Total Individual Life and Family Takaful ANP/ANC by Direct Team (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 <sup>nd</sup> Year Renewal Premium (RM)	600K	300K	300K
Calculations	$600K \times 2.0\% = 12K$	$300K \times 1.5\% = 4.5K$	$300K \times 0.5\% = 1.5K$
<b>Total Manager Direct Provident Fund (MDPF/TMDPF)</b>	<b>12K</b>	<b>4.5K</b>	<b>1.5K</b>

## 4.5. Clawback:

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

4.6. Kindly refer to “General Provisions” section for details on the definition, calculations and illustrations.

**5.0**

**LEADER CATEGORY**

**– DISTRICT GROUP SALES**

## 5.0. LEADER CATEGORY – DISTRICT GROUP SALES

### 5.1. DISTRICT MANAGER FIXED INDIRECT OVERRIDING

- Eligibility:** District Manager (DM) who are still in-forced with AIA.
- District Manager Fixed Indirect Overriding:**

Traditional Life Premium				
Policy Paying Term (Years)	District Manager Fixed Indirect Overriding (% of Premium at Policy Year)			
	Year 1	Year 2	Year 3	Year 4
20 and 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	1.40	0.20	0.20	-
2	1.10	0.10	-	-
Single Premium	1.00	-	-	-
Yearly Renewal Term Premium (YRT): For Every Renewal Year	1.00	-	-	-

Investment-Linked Regular Premium				
Policy Paying Term (Years)	District Manager Fixed Indirect Overriding (% of Premium at Policy Year)			
	Year 1	Year 2	Year 3	Year 4
20 and above	4.50	3.50	0.50	2.00
19	4.27	3.32	0.47	1.90
18	4.05	3.15	0.45	1.80
17	3.82	2.97	0.42	1.70
16	3.60	2.80	0.40	1.60
15	3.37	2.62	0.37	1.50
14	3.15	2.45	0.35	1.40
13	2.92	2.27	0.32	1.30
12	2.70	2.10	0.30	1.20
11	2.47	1.92	0.27	1.10
10	2.25	1.75	0.25	1.00
9	2.02	1.57	0.22	0.90
8	1.80	1.40	0.20	0.80
7	1.57	1.22	0.17	0.70
6	1.35	1.05	0.15	0.60
5	1.12	0.87	0.12	0.50
4	0.90	0.70	0.10	0.40
3	0.80	0.70	0.06	-
2	0.70	0.35	-	-
<b>ILP: Single Premium, Top-up Premium (Scheduled/Ad Hoc) and A-Plus Saver</b>				
Every Top-up	0.25			



**5.2. DISTRICT MANAGER INDIRECT BSC BONUS**

1. **Eligibility:** District Manager (DM) who are still in-force with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **District Manager Monthly Indirect BSC Bonus (DMMIBB):**
  - 3.1. The District Manager Monthly Indirect BSC Bonus (DMMIBB) is based the DM’s Indirect Team individual Life Planner’s TBSC up to 100%.
  - 3.2. Life Planner that achieved TBSC ≤ 100% → Below rates multiply with the actual TBSC and collected premiums.
4. **District Manager Annual Indirect BSC Bonus (DMAIBB):**
  - 4.1. The District Manager Annual Indirect BSC Bonus (DMAIBB) is based on the DM’s Indirect Team individual Life Planner’s Surplus of TBSC (STBSC).
  - 4.2. Surplus of TBSC (STBSC) refers to the net score higher than 100% (e.g. If TBSC = 120%, the STBSC = 20%).
  - 4.3. Life Planner that achieved TBSC ≤ 37.5% → Below rates multiply with the actual STBSC and collected premiums.
5. **The BSC Bonus Rate for DMMIBB and DMAIBB:**

Traditional Life Premium			
Policy Paying Term (Years)	District Manager Monthly Indirect BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and 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	-

Investment-Linked Regular Premium			
Policy Paying Term (Years)	District Manager Monthly Indirect BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and Above	1.50	1.00	1.00
19	1.42	0.95	0.95
18	1.35	0.90	0.90
17	1.27	0.85	0.85
16	1.20	0.80	0.80
15	1.12	0.75	0.75
14	1.05	0.70	0.70
13	0.97	0.65	0.65
12	0.90	0.60	0.60
11	0.82	0.55	0.55
10	0.75	0.50	0.50
9	0.67	0.45	0.45
8	0.60	0.40	0.40
7	0.52	0.35	0.35
6	0.45	0.30	0.30
5	0.37	0.25	0.25
4	0.30	0.20	0.20
3	0.22	0.15	0.15
2	0.20	0.15	-

### 5.3. DISTRICT MANAGER PARALLEL OVERRIDING BSC BONUS

1. **Eligibility:** District Manager (DM) who are still in-forced with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **District Manager Monthly Parallel Overriding BSC Bonus (DMMPOBB):**
  - 3.1. The District Manager Monthly Parallel Overriding BSC Bonus (DMMPOBB) is based the DM's Daughter DM's Direct Team individual Life Planner's TBSC up to 100%.
  - 3.2. Life Planner that achieved TBSC ≤ 100% → Below rates multiply with the actual TBSC and collected premiums.
4. **District Manager Annual Parallel Overriding BSC Bonus (DMAPOBB):**
  - 4.1. The District Manager Annual Parallel Overriding BSC Bonus (DMAPOBB) is based on the DM's Daughter DM's Direct Team individual Life Planner's Surplus of TBSC (STBSC).
  - 4.2. Surplus of TBSC (STBSC) refers to the net score higher than 100% (e.g. If TBSC = 120%, the STBSC = 20%).
  - 4.3. Life Planner that achieved TBSC ≤ 37.5% → Below rates multiply with the actual STBSC and collected premiums.
5. **The BSC Bonus Rate for DMMPOBB and DMAPOBB:**

Traditional Life Premium			
Policy Paying Term (Years)	District Manager Monthly Parallel Overriding BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and 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	-	-

Investment-Linked Regular Premium			
Policy Paying Term (Years)	District Manager Monthly Parallel Overriding BSC Bonus (% of Premium at Policy Year)		
	Year 1	Year 2	Year 3
20 and 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	-	-

**5.4. MANAGER INDIRECT PROVIDENT FUND (MIPF/TMIPF)**

1. **Eligibility:** District Manager (DM) who are still in-forced with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **Requirements:**

Total Individual Life and Family Takaful ANP/ANC (RM)	Min Number of Manpower	Manager Indirect Provident Fund (MIPF/TMIPF) (% x 2 <sup>nd</sup> Year Collected Renewal Regular Premium/Contribution)
by District Group	by District Group	from downline UM's Direct Team
≥ 2.5M	Two (2) one level downline UMs	1.5%
1M to < 2.5M		1.0%
300K to < 1M		0.5%
<b>Note:</b>		
1) District Group refers to the DM's one level downline UM's Direct Team + the DM's Direct Team.		

- 3.1. Provident fund derived from Individual Life business lines will be credited to **MIPF**.
- 3.2. Provident fund derived from Family Takaful business lines will be credited to **TMIPF**.

**4. Rules:**

- 4.1. Manpower:
  - 4.1.1. District Manager (DM) who spins-off a downline Unit Manager (UM) to the rank of DM will be granted a 2-year waiver for manpower requirement.
  - 4.1.2. DM who has an UM 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 1<sup>st</sup> year.
- 4.2. Provident Fund Contribution:
  - 4.2.1. The leader's contribution will be credited to qualifier's MIPF/TMIPF account at the end of calendar year.
  - 4.2.2. Leader's contract must be valid at the time of contribution.
- 4.3. Withdrawal is subject to one of the following conditions:
  - 4.3.1. At age 55 or above **AND** have had at least 10 years continuous obligation with AIA.
  - 4.3.2. Certified by AIA's Medical Director as unfit to maintain a leader's contract on account of ill health or accident.
  - 4.3.3. Upon death.
  - 4.3.4. At age 65.
- 4.4. Illustration:

	Example 1	Example 2	Example 3
Total Individual Life and Family Takaful ANP/ANC by District Group (RM)	2.5M	1M	1M
Manpower	3	2	1
Qualified Percentage	1.5%	1.0%	Not eligible
2 <sup>nd</sup> Year Renewal Premium (RM)	1.5M	1M	1M
Calculations	1.5M x 1.5% = 22.5K	1M x 1% = 10K	-
<b>Total Manager Indirect Provident Fund (MIPF/TMIPF)</b>	<b>22.5K</b>	<b>10K</b>	-

- 4.5. Clawback:
  - 4.5.1. In the event production dropped below requirement due to cancellation for whatsoever reason(s) by December; the entire contribution amount or the over contributed amount paid at a higher category earlier, if any, will be clawed back.
- 4.6. Kindly refer to "General Provisions" section for details on the definition, calculations and illustrations.

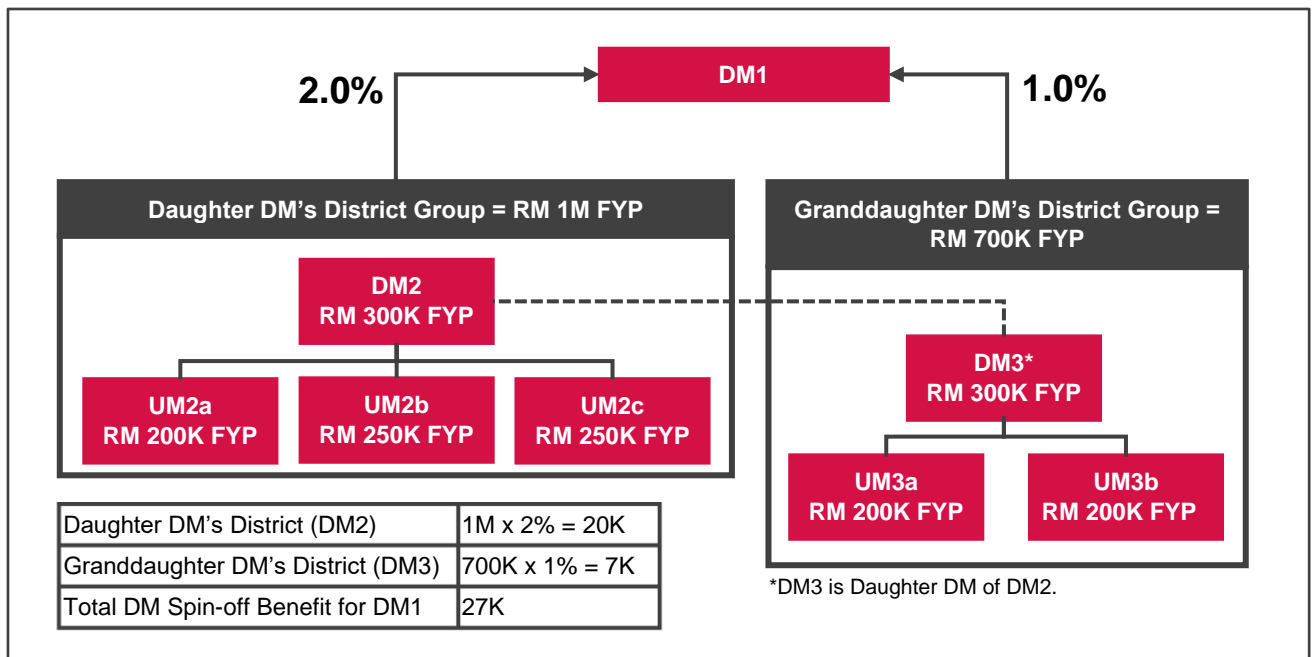
**5.5. DISTRICT MANAGER SPIN-OFF BENEFIT**

1. **Eligibility:** District Manager (DM) who are still in-force with AIA.
2. **Qualifying Period:** Based on calendar year (i.e. January – December).
3. **Requirements:**

Mother or Grandmother DM's Requirement		DM Spin-off Benefit	
Total Life and Takaful ANP/ANC (RM)	D1 Persistency Rate (D1 PR)	% x Daughter DM's District Group FYP	% x Granddaughter DM's District Group FYP
by District Group	By Direct Team or District Group		
≥ 100K	≥ 80%	2.0%	1.0%

**4. Rules:**

- 4.1. Payable amount is:
  - 4.1.1. 2% x the Daughter DM's District Group FYP, **AND**
  - 4.1.2. 1% x the Granddaughter DM's District Group FYP for the year.
- 4.2. For spouse promotion, kindly refer to Spouse Promotion rule.
- 4.3. In the event the DM have failed to qualify due to not meeting the above requirements, the DM Spin-off Benefit entitlement will be forfeited and will not be rolled up.
- 4.4. ANP/ANC and PR requirements will be waived for District Managers who have achieved MOC Waiver status by **30<sup>th</sup> November 2017**. There will be no more additional leaders to be granted with waiver after **1<sup>st</sup> December 2017**.
- 4.5. Termination/Resignation/Death:
  - 4.5.1. The DM Spin-off Benefit eligibility will be rolled up upon occurrence of any of these events.
  - 4.5.2. If a DM has executed a Succession or Retirement Planning, this benefit will follow rules stated in the Succession or Retirement Planning.
- 4.6. Downgrade of Mother or Grandmother DM:
  - 4.6.1. If the DM is downgraded to UM, the benefit entitlement shall continue.
  - 4.6.2. If the UM is further downgraded to AUM or Life Planner, the benefit entitlement will cease.
  - 4.6.3. The eligibility shall resume in the event the UM/AUM/LP resumes position back to DM rank.
- 4.7. Any exceptions from the above stated will require approval from the CEO and CADO of Agency Distribution. The decision to approve or reject remains the sole discretion of the management.
- 4.8. DM Spin-off Benefit will be paid by the end of 1<sup>st</sup> quarter, after the calendar year closing.
- 4.9. Illustration:



4.10. Clawback:

4.10.1. 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.

4.11. Kindly refer to “General Provisions” section for details on the definition, calculations and illustrations.

**5.6. DISTRICT MANAGER BREAKAWAY BENEFIT**

1. **Eligibility:** Mother District Manager (DM) who are still in-forced with AIA.

2. **Qualifying Period:** Based on calendar year (i.e. January – December).

3. **Rules:**

3.1. This benefit is payable to the mother District Manager upon appointment of Unit Manager to the rank of District Manager.

3.2. 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.

3.3. 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.

3.4. 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%.

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

\*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.

3.5. Clawback:

3.5.1. 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.

3.6. Kindly refer to “General Provisions” section for details on the definition, calculations and illustrations.

**6.0**

**2021 ASCEND**

**BONUS CHALLENGE**

### 6.0. 2021 ASCEND BONUS CHALLENGE

1. **Qualifying Period:** 1 January 2021 – 31 December 2021
2. **Eligibility:** All Life Planners and Leaders are to participate based on their ranks as at, **31 December 2021**, as below:

Rank	Categories		
	Personal Sales	Direct Team Sales	District Group Sales
New Life Planner (NLP)	Yes	-	-
Life Planner (LP)	Yes	-	-
Assistant Unit Manager (AUM)	Yes	-	-
Unit Manager (UM)	Yes	Yes	-
District Manager (DM)	Yes	Yes	Yes

- 2.1. New Life Planners (NLP) must be contracted with AIA **from 1 January 2020 until 31 December 2021**.
- 2.2. Rejoined Life Planner (RLP), Assistant Unit Manager (AUM) and Direct Appointed Assistant Unit Manager (DAAUM) are to participate as Life Planner (LP) rank.
- 2.3. Direct Appointed Unit Manager (DAUM) are to participate as Unit Manager (UM) rank.
- 2.4. Direct Appointed District Manager (DADM) are to participate as District Manager (DM) rank.

**3. Requirements:**

- 3.1. The requirements for the **2021 Ascend Challenge** for **Personal Sales** category are described below:

Life Planner Ascend Bonus – Personal Sales (% of Premium at Policy Year)															
Total Personal Sales ANP/ANC Requirement (RM)	Policy Paying Term (Years)														
	20 and above			19 to 15			14 to 10			9 to 5			4 to 2		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
<b>≥ 750K</b>	8.00	6.00	8.00	6.00	4.50	6.00	4.00	3.00	4.00	2.00	1.50	2.00	1.20	0.90	1.20
<b>600K to &lt; 750K</b>	7.00	5.00	7.00	5.25	3.75	5.25	3.50	2.50	3.50	1.75	1.25	1.75	1.05	0.75	1.05
<b>450K to &lt; 600K</b>	4.00	4.00	6.00	3.00	3.00	4.50	2.00	2.00	3.00	1.00	1.00	1.50	0.60	0.60	0.90
<b>300K to &lt; 450K</b>	3.00	2.00	4.00	2.25	1.50	3.00	1.50	1.00	2.00	0.75	0.50	1.00	0.45	0.30	0.60
<b>150K to &lt; 300K</b>	2.00	2.00	3.00	1.50	1.50	2.25	1.00	1.00	1.50	0.50	0.50	0.75	0.30	0.30	0.45
<b>80K to &lt; 150K</b>	1.00	-	-	0.75	-	-	0.50	-	-	0.25	-	-	0.15	-	-

**Notes:**

Year 1 (Y1) : Payout is based on % x First Year Regular Premium (FYP).  
 Year 2 (Y2) : Payout is based on % x Regular Renewal Premium (RP).  
 : D1 Persistency Rate (PR) ≥ **85%**.  
 : If D1 PR is not available, D0 PR must meet minimum **90%**.  
 Year 3 (Y3) : Payout is based on % x Regular Renewal Premium (RP).  
 : D2 Persistency Rate (PR) ≥ **80%**.  
 : If D2 PR is not available, D1 PR must meet minimum **85%**.

**For NLP – Only required to produce 70% of the ANP/ANC to qualify for the bonus.**

3.2. The requirements for the **2021 Ascend Challenge** for **Direct Team Sales** category are described below:

<b>Manager Direct Ascend Bonus – Direct Team</b> (% of Premium at Policy Year)															
<b>Total Direct Team ANP/ANC Requirement (RM)</b>	<b>Policy Paying Term (Years)</b>														
	<b>20 and above</b>			<b>19 to 15</b>			<b>14 to 10</b>			<b>9 to 5</b>			<b>4 to 2</b>		
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>≥ 3M</b>	6.00	-	-	4.50	-	-	3.00	-	-	1.50	-	-	0.90	-	-
<b>2M to &lt; 3M</b>	5.00	-	-	3.75	-	-	2.50	-	-	1.25	-	-	0.75	-	-
<b>1.5M to &lt; 2M</b>	4.00	-	-	3.00	-	-	2.00	-	-	1.00	-	-	0.60	-	-
<b>1M to &lt; 1.5M</b>	3.00	-	-	2.25	-	-	1.50	-	-	0.75	-	-	0.45	-	-
<b>500K to &lt; 1M</b>	2.00	-	-	1.50	-	-	1.00	-	-	0.50	-	-	0.30	-	-

**Notes:**  
Year 1 (Y1) : Payout is based on % x First Year Regular Premium (FYP) of Direct Team only.

3.3. The requirements for the **2021 Ascend Challenge** for **District Group Sales** category are described below:

<b>Manager District Ascend Bonus – District Group</b> (% of Premium at Policy Year)															
<b>Total District Group ANP/ANC Requirement (RM)</b>	<b>Policy Paying Term (Years)</b>														
	<b>20 and above</b>			<b>19 to 15</b>			<b>14 to 10</b>			<b>9 to 5</b>			<b>4 to 2</b>		
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>≥ 10M</b>	2.00	-	-	1.50	-	-	1.00	-	-	0.50	-	-	0.30	-	-
<b>5M to &lt; 10M</b>	1.50	-	-	1.12	-	-	0.75	-	-	0.37	-	-	0.22	-	-
<b>2M to &lt; 5M</b>	1.00	-	-	0.75	-	-	0.50	-	-	0.25	-	-	0.15	-	-
<b>1M to &lt; 2M</b>	0.50	-	-	0.37	-	-	0.25	-	-	0.12	-	-	0.07	-	-

**Notes:**  
Year 1 (Y1) : Payout is based on % x First Year Regular Premium (FYP) of District Group only.

3.4. Each participant can qualify for the bonus from any eligible categories based on their ranks as illustrated below:

**Scenario:**

- A District Manager met the highest Total ANP/ANC for all categories.
- Policy Paying Term at 20 years and above.

<b>Rank</b>	<b>Categories</b>		
	<b>Personal Sales</b>	<b>Direct Team Sales</b>	<b>District Group Sales</b>
<b>District Manager</b> (For Year 1)	8.00%	6.00%	2.00%

**Result:**  
The District Manager will qualify for:

- Life Planner Ascend Bonus = 8.00%
- Manager Direct Ascend Bonus = 6.00%
- Manager District Ascend Bonus = 2.00%

3.5. All qualification requirements are based on Total Individual Life and Family Takaful ANP/ANC that is captured **from 1 January 2021 to 31 December 2021**.

3.6. Payout is based on actual collected Regular Premium validated for new business policies with Risk Commencement Date (RCD) **from 1 January 2021 to 31 December 2021 BUT EXCLUDES** any collected A-PlusSaver/Ad-hoc Top-up/Regular Top-up premiums.



## 3.7. First Year Regular Premium (FYP):

3.7.1. Refers to 1<sup>st</sup> – 12<sup>th</sup> month premium collected on Individual Life and Family Takaful policies with Risk Commencement Date (RCD) **from 1 January 2021 to 31 December 2021**.

3.8. 2<sup>nd</sup> and 3<sup>rd</sup> Year Renewal Regular Premiums (RP):

3.8.1. Refers to 2<sup>nd</sup> year (13<sup>th</sup> – 24<sup>th</sup> month premium) and 3<sup>rd</sup> year (25<sup>th</sup> – 36<sup>th</sup> month premium) renewal regular premiums collected on Individual Life and Family Takaful policies with Risk Commencement Date (RCD) **from 1 January 2021 to 31 December 2021**.

## 3.9. Persistency Rate (PR):

3.9.1. PR is only applicable for Life Planner Ascend Bonus for 2<sup>nd</sup> and 3<sup>rd</sup> year (Y2 and Y3).

3.9.1.1. For 2<sup>nd</sup> Year (Y2):

- All participants must meet D1 PR, **by 15 January**, after yearend closing.
- If D1 PR is not available, D0 PR will be used.

3.9.1.2. For 3<sup>rd</sup> Year (Y3):

- All participants must meet D2 PR, **by 15 January**, after yearend closing.
- If D2 PR is not available, D1 PR will be used.

3.9.2. No waiver of PR is allowed.

3.9.3. Kindly refer to the “General Provisions” section for details on PR.

## 3.10. Final Payment:

3.10.1. Payment will be on yearly basis after the year-end closing and subject to fulfillment of all requirements based on respective categories.

3.10.2. Final Payment to qualifiers will be released by **January B** cycle (**8<sup>th</sup> February**).

## 3.11. Life Planner Ascend Bonus – Illustration 1:

Scenario: All requirements fulfilled based on one policy.

Illustration 1: Life Planner Ascend Bonus					
Year	2021		2022		2023
Total ANP/ANC	300K		480K		180K
Policy Paying Term	20 years				
D1 PR			85%		
D2 PR					80%
Qualified Bonus (% of Premium)	3%, 2%, 4%		4%, 4%, 6%		2%, 2%, 3%
Y1 FYP	280K	280K x 3% = 8.4K			
Y2 RP			260K	260K x 4% = 10.4K	
Y3 RP					150K 150K x 3% = 4.5K
Total Bonus (RM)	8.4K		10.4K		4.5K

## 3.12. Life Planner Ascend Bonus – Illustration 2:

Scenario: Life Planner failed D2 persistency in 2023 therefore, not qualified for Y3 bonus in 2023.

Illustration 2: Life Planner Ascend Bonus					
Year	2021		2022		2023
Total ANP/ANC	300K		480K		180K
Policy Paying Term	20 years				
D1 PR			85%		
D2 PR					75% (Not qualified for Y3)
Qualified Bonus (% of Premium)	3%, 2%, 4%		4%, 4%, 6%		0%
Y1 FYP	280K	280K x 3% = 8.4K			
Y2 RP			260K	260K x 4% = 10.4K	
Y3 RP					150K 150K x 0% = 0
Total Bonus (RM)	8.4K		10.4K		Zero

**3.13. Manager Direct Ascend Bonus – Illustration 3:**

Scenario: All requirements fulfilled.

Illustration 3: Manager Direct Ascend Bonus		
Year	2021	
Total ANP/ANC	1M	
Policy Paying Term	20 years	
Qualified Bonus (% of Premium)	<u>3%</u>	
Y1 FYP	900K	$900K \times 3\% = 27K$
Total Bonus (RM)		27K

**3.14. Manager District Ascend Bonus – Illustration 4:**

Scenario: All requirements fulfilled.

Illustration 4: Manager District Ascend Bonus		
Year	2021	
Total ANP/ANC	4.5M	
Policy Paying Term	20 years	
Qualified Bonus (% of Premium)	<u>1%</u>	
Y1 FYP	4.4M	$4.4M \times 1\% = 44K$
Total Bonus (RM)		44K

4. **General Provisions** – Kindly refer to the “2021 Agency Contest’s General Provisions” for more details.



# **7.0**

# **RETIREMENT PLANNING**

# **OPTION**

## 7.0. RETIREMENT PLANNING OPTION

### 7.1. BUSINESS SUCCESSION: 50%:50% (PHASE 1 IMPLEMENTATION)

#### 1. Eligibility:

- 1.1. Unit Manager (UM) and District Manager (DM) who are still in-force with AIA.
- 1.2. This is only applicable for Life and Family Takaful business.

#### 2. Rules:

- 2.1. Original Leader:
  - 2.1.1. Agency Leaders (UM/DM) with at least  $\geq 55$  years of age **AND**  $\geq 15$  years of continuous service with AIA, **OR**
  - 2.1.2. At least  $\geq 20$  years of continuous service with AIA regardless of age.
  - 2.1.3. Continuous service is counted from the Life Planner's contract date.
- 2.2. Successor:
  - 2.2.1. Life Planner or Agency Leader must be from:
    - 2.2.1.1. The same district, **OR**
    - 2.2.1.2. Immediate downline's District Group (one level down), **OR**
    - 2.2.1.3. Immediate upline's District Group (one level up).
  - 2.2.2. The candidate must be approved by AIA.
  - 2.2.3. Must complete BAMC+ and/or LIMRA Pacesetter 2.0 prior to succeeding the Original Leader.
  - 2.2.4. Must complete all other mandatory leaders training within 2 years after succession.
- 2.3. The Original Leader and the Successor will enter into the "Business Succession: 50%:50%" agreement with AIA.
- 2.4. The succession arrangement must be approved by AIA before the implementation.
- 2.5. The Successor will inherit the whole Direct Team or District Group and all Life Planners belonging to the Direct Team or District Group of the Original Leader after the implementation of the succession.
- 2.6. The downlines of Original Leader will be placed under the Successor's Direct Team or District Group.
- 2.7. Transfer out of any Life Planners from the Successor's Direct Team or District Group is **NOT** allowed.
- 2.8. The Original Leader is **NOT** allowed to produce new business after the succession.
- 2.9. The Successor shall be responsible for Persistency Rate of the Direct Team or District Group.

#### 3. Treatment of Overriding and Compensation:

- 3.1. Old Block of Business (policies captured **BEFORE** the succession):
  - 3.1.1. Business from downlines of the Original Leader:
    - 3.1.1.1. 100% of overriding and compensation will be payable to the Original Leader.
    - 3.1.1.2. Compensation on Personal Sales business captured will not be affected by the succession arrangement.
- 3.2. New Block of Business (policies captured **AFTER** the succession):
  - 3.2.1. Business from downlines of the Original Leader:
    - 3.2.1.1. 50% of the overriding will be payable to the Original Leader.
    - 3.2.1.2. 50% of the overriding will be payable to the Successor.
    - 3.2.1.3. 100% of the compensation will be payable to the Successor.
  - 3.2.2. Business from downlines of the Successor:
    - 3.2.2.1. 100% of the overriding will be payable to the Successor.
    - 3.2.2.2. 100% of the compensation will be payable to the Successor.
- 3.3. Overriding refers to Direct, Indirect and Parallel Overriding (if any) commission and their respective BSC Bonus, wherever applicable.
- 3.4. Compensation refers to commission on Personal Sales business and MAPF/ TAPF/ MDPF/ TMDPF/ MIPF/ TMIPF, wherever applicable.

#### 4. Treatment of DM Spin-off Benefit:

- 4.1. Refers to business captured after the effective date of the Agreement.
- 4.2. On business by Daughter DM of the Original Leader who is promoted **BEFORE** the succession:
  - 4.2.1. 100% payable to the Original Leader.
- 4.3. On business by Daughter DM of the Original Leader who is promoted **AFTER** the succession:
  - 4.3.1. 100% payable to the Successor.

**5. Death of the Original Leader:**

- 5.1. 100% of overriding, compensation and DM Spin-off Benefit:
  - 5.1.1. Payable to the Successor.
- 5.2. MAPF/ TAPF/ MDPF/ TMDPF/ MIPF/ TMIPF contributed prior to the death:
  - 5.2.1. Payable to the Beneficiary of the deceased Original Leader.

**6. Occurrences of Misconduct:**

- 6.1. The Original Leader, Successor or spouse are involved in these events:
  - 6.1.1. Joined the competitor.
  - 6.1.2. Published comments or articles disparaging to AIA, Life Planners or policyholders.
  - 6.1.3. Acted in any way contrary to the interest of AIA and its policyholders.
- 6.2. Due to fault of the Original Leader:
  - 6.2.1. Old Block of Business:
    - 6.2.1.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.
  - 6.2.2. New Block of Business:
    - 6.2.2.1. Overriding and compensation will be paid to the Successor.
    - 6.2.2.2. DM Spin-off Benefit will be paid to the Successor.
- 6.3. Due to fault of the Successor:
  - 6.3.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.
- 6.4. Due to fault of the Original Leader **AND** Successor:
  - 6.4.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.

## 7.2. 7 YEARS RETIREMENT PLANNING (PHASE 1 IMPLEMENTATION)

### 1. Eligibility:

- 1.1. Unit Manager (UM) and District Manager (DM) who are still in-force with AIA.
- 1.2. This is only applicable for Life and Family Takaful business.

### 2. Rules:

#### 2.1. Retiring Leader:

- 2.1.1. Agency Leaders (UM/DM) with at least  $\geq 55$  years of age **AND**  $\geq 15$  years of continuous service with AIA, **OR**
- 2.1.2. At least  $\geq 20$  years of continuous service with AIA regardless of age.
- 2.1.3. Continuous service is counted from the Life Planner's contract date.

#### 2.2. New Leader:

##### 2.2.1. Life Planner or Agency Leader must be from:

- 2.2.1.1. The same district, **OR**
- 2.2.1.2. Immediate downline's District Group (one level down), **OR**
- 2.2.1.3. Immediate upline's District Group (one level up).

##### 2.2.2. The candidate must be approved by AIA.

##### 2.2.3. Must complete BAMC+ and/or LIMRA Pacesetter 2.0 prior to succeeding the Retiring Leader.

##### 2.2.4. Must complete all other mandatory leaders training within 2 years after succession.

#### 2.3. Under this arrangement, the Retiring Leader chooses to permanently retire.

#### 2.4. The Retiring Leader will enter into the "7 Years Retirement Planning" agreement with AIA.

#### 2.5. Note: 7 years (1<sup>st</sup> – 7<sup>th</sup> year) is counted from the implementation of the retirement arrangement.

#### 2.6. The retirement arrangement must be approved by AIA before the implementation.

#### 2.7. The New Leader will inherit the whole Direct Team or District Group and all Life Planners belonging to the Direct Team or District Group of the Retiring Leader after the implementation of the succession.

#### 2.8. The downlines of Retiring Leader will be placed under the New Leader's Direct Team or District Group.

#### 2.9. Transfer out of any Life Planners from the New Leader's Direct Team or District Group is **NOT** allowed.

#### 2.10. The Retiring Leader is **NOT** allowed to produce new business after the retirement planning option.

#### 2.11. The New Leader shall be responsible for Persistency Rate of the Direct Team or District Group.

### 3. Treatment of Overriding and Compensation:

#### 3.1. Old Block of Business (policies captured **BEFORE** the retirement):

- 3.1.1. 100% of overriding and compensation will be payable to the Retiring Leader for 7 years.
- 3.1.2. 100% of overriding and compensation will be payable to the New Leader 8<sup>th</sup> year onwards.

#### 3.2. New Block of Business (policies captured **AFTER** the retirement):

##### 3.2.1. Business from the downlines of the Retiring Leader (1<sup>st</sup> – 7<sup>th</sup> year):

- 3.2.1.1. 50% of the overriding will be payable to the Retiring Leader for 7 years.
- 3.2.1.2. Payments will cease at the end of the 7<sup>th</sup> year; including payments from policies captured within the 7 years period which may still be commissionable after the 7<sup>th</sup> year.
- 3.2.1.3. 50% of the overriding will be payable to the New Leader.
- 3.2.1.4. 100% of the compensation will be payable to the New Leader.

##### 3.2.2. Business from downlines of the Retiring Leader (8<sup>th</sup> year onwards):

- 3.2.2.1. 100% of the overriding will be payable to the New Leader.
- 3.2.2.2. 100% of the compensation will be payable to the New Leader.

##### 3.2.3. Business from downlines of the New Leader:

- 3.2.3.1. 100% of the overriding will be payable to the New Leader.
- 3.2.3.2. 100% of the compensation will be payable to the New Leader.

#### 3.3. Overriding refers to Direct, Indirect and Parallel Overriding (if any) commission and their respective BSC Bonus, wherever applicable.

#### 3.4. Compensation refers to commission on Personal Sales business and MAPF/ TAPF/ MDPF/ TMDPF/ MIPF/ TMIPF, wherever applicable.

**4. Treatment of DM Spin-off Benefit:**

- 4.1. Refers to business captured after the effective date of the Agreement.
- 4.2. On business by Daughter DM of the Retiring Leader who is promoted **BEFORE** the succession:
  - 4.2.1. 100% is payable to the Retiring Leader for 7 years.
  - 4.2.2. 100% is payable to the New Leader from the 8<sup>th</sup> year onwards.
- 4.3. On business by Daughter DM of the Retiring Leader who is promoted **AFTER** the succession:
  - 4.3.1. 100% is payable to the New Leader.

**5. Death of the Retiring Leader within 7 Years:**

- 5.1. 100% of overriding, compensation and DM Spin-off Benefit:
  - 5.1.1. Payable to the Beneficiary of the deceased Original Leader for 7 years.
- 5.2. 100% of overriding, compensation and DM Spin-off Benefit:
  - 5.2.1. Payable to the New Leader from the 8<sup>th</sup> year onwards.
- 5.3. MAPF/ TAPF/ MDPF/ TMDPF/ MIPF/ TMIPF contributed prior to the death:
  - 5.3.1. Payable to the Beneficiary of the deceased Original Leader.

**6. Occurrences of Misconduct:**

- 6.1. The Retiring Leader, New Leader or spouse are involved in these events:
  - 6.1.1. Joined the competitor.
  - 6.1.2. Published comments or articles disparaging to AIA, Life Planners or policyholders.
  - 6.1.3. Acted in any way contrary to the interest of AIA and its policyholders.
- 6.2. Due to fault of the Retiring Leader:
  - 6.2.1. Old Block of Business:
    - 6.2.1.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.
  - 6.2.2. New Block of Business:
    - 6.2.2.1. Overriding and compensation will be paid to the Successor.
    - 6.2.2.2. DM Spin-off Benefit will be paid to the Successor.
- 6.3. Due to fault of the New Leader:
  - 6.3.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.
- 6.4. Due to fault of the Retiring Leader **AND** New Leader:
  - 6.4.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.

### 7.3. BUSINESS SUCCESSION NOMINATION (PHASE 2 IMPLEMENTATION)

#### 1. Eligibility:

- 1.1. Unit Manager (UM) and District Manager (DM) who are still in-force with AIA.
- 1.2. This is only applicable for Life and Family Takaful business.

#### 2. Rules:

- 2.1. Original Leader:
  - 2.1.1. Agency Leaders (UM/DM) whom has a valid contract with AIA.
- 2.2. Successor:
  - 2.2.1. Must have a valid contract with AIA with minimum one (1) year of continuous service, **AND**
  - 2.2.2. Must be from the following at the point of being named in the Business Succession Nomination Form:
    - 2.2.2.1. The same district, **OR**
    - 2.2.2.2. Immediate downline's District Group (one level down), **OR**
    - 2.2.2.3. Immediate upline's District Group (one level up).
- 2.3. Nominee:
  - 2.3.1. Nominee must be at least 18 years of age at the point of being named in the Business Succession Nomination Form.
- 2.4. The Business Succession Nomination Form must be approved by AIA before implementation.
- 2.5. The Original Leader can submit up to maximum 4 names with an allowance of up to:
  - 2.5.1. Maximum 2 Successors (Primary Successor and Secondary Successor), and/or
  - 2.5.2. Maximum 2 Nominees (Primary Nominee and Secondary Nominee).
- 2.6. The 4 names will follow the next in line priority order from top-to-down to be selected as the successor upon the death of the Original Leader and only one (1) name will be selected:
  - 2.6.1. Primary Successor
  - 2.6.2. Secondary Successor
  - 2.6.3. Primary Nominee
  - 2.6.4. Secondary Nominee
- 2.7. The Original Leader can only name up to the maximum allocated Successor or Nominee, or less. In the event the respective designation is left blank, the next available name will be considered under the succession arrangement.
- 2.8. The Original Leader is responsible for ensure eligibility of the Successor or Nominee before submitting the form to AIA, where the Successor or Nominee must meet the requirement as stated.
- 2.9. The Original Leader is required to complete the "Business Succession Nomination" section under the "Retirement Planning Option" form and submit to AIA for processing.
  - 2.9.1. 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.
  - 2.9.2. Any newly updated and approved form will override the previous form upon its effective date.
  - 2.9.3. 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.
  - 2.9.4. Any changes of the handbook thereafter will not impact the arrangement, unless an updated form is submitted and approved.
  - 2.9.5. After the Business Succession Nomination Form is approved, there will be no effect to the Original Leader's overriding and compensation when Original Leader is still alive.
- 2.10. Before the point of succession, the Successor's or Nominee's eligibility will be null and voided when:
  - 2.10.1. The Successor or Nominee is deceased.
  - 2.10.2. The Successor is terminated or have resigned.
  - 2.10.3. The Successor or Nominee has revoked of his/her rights under this arrangement in written.
- 2.11. If the Successor's or Nominee's eligibility has been voided before the point of succession, the next in line (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 or District Group.
- 2.12. 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.
- 2.13. 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.



**3. Death of The Successor or Nominee Prior To The Death of The Original Leader:**

- 3.1. Will have no effect to the Original Leader's overriding and compensation.
- 3.2. Original Leader is responsible to submit changes to the Business Succession Nomination.

**4. Death of the Original Leader:**

- 4.1. The Successor or Nominee shall take over the rank and position of the Original Leader in the agency hierarchy and inherit the whole Direct Team or District Group.
- 4.2. This is subject to the eligibility of the Successor or Nominee at the point of succession.
- 4.3. At the point of succession:
  - 4.3.1. For Successor, he/she must meet the requirements as stated.
  - 4.3.2. For Nominee, he/she must meet the requirements as stated **AND** must be coded within 90 calendar days to proceed with the succession.
  - 4.3.3. If the requirements are not fulfilled, the Successor's or Nominee's eligibility is nulled and voided.
  - 4.3.4. Based on the priority, the next in line (if any) will be considered under the succession arrangement.
  - 4.3.5. If all available names have been exhausted or deemed not eligible, then upon the death of the Original Leader, the Original Leader's agency will be rolled-up to the immediate upline leader in accordance to AIA's policy.
- 4.4. After the point of succession:
  - 4.4.1. Upon a Successor or Nominee is appointed as a successor to take over the agency business, the rest of the names written under the Business Succession Nomination Form is considered to be nulled and voided.
  - 4.4.2. For Successor, he/she will have within 2 years (i.e. 24 months) to complete all mandatory trainings and requirements in accordance to the rank of the deceased Original Leader.
  - 4.4.3. For Nominee, he/she will be appointed as the Successor and will have within 2 years (i.e. 24 months) to complete all mandatory trainings and requirements in accordance to the rank of the deceased Original Leader.
  - 4.4.4. If the Successor or Nominee have failed to complete the requirement within the stipulated time, the Original Leader's agency will be rolled-up to the immediate upline leader in accordance to AIA's policy.
  - 4.4.5. The Successor or Nominee shall be responsible for Persistency Rate of the Direct Team or District Group.

**5. Treatment of Overriding, Compensation and DM Spin-off Benefit:**

- 5.1. The treatment will only be in effect upon implementation of the Business Succession Nomination **AND** death of the Original Leader:
  - 5.1.1. Old Block of Business (policies captured **BEFORE** death of the Original Leader):
    - 5.1.1.1. 100% of the overriding and the compensation will be payable to the Successor.
  - 5.1.2. New Block of Business (policies captured **AFTER** death of the Original Leader):
    - 5.1.2.1. 100% of the overriding and the compensation will be payable to the Successor.
  - 5.1.3. DM Spin-off Benefit:
    - 5.1.3.1. 100% payable to the Successor of the deceased Original Leader.
  - 5.1.4. MAPF/ TAPF/ MDPF/ TMDPF/ MIPF/ TMIPF contributed prior to death of the Original Leader:
    - 5.1.4.1. 100% payable to the Beneficiary of the deceased Original Leader.
  - 5.1.5. Business from downlines of the Successor:
    - 5.1.5.1. 100% of the overriding and compensation will be payable to the Successor.
- 5.2. Overriding refers to Direct, Indirect and Parallel Overriding (if any) commission and their respective BSC Bonus, wherever applicable.
- 5.3. Compensation refers to commission on Personal Sales business and MAPF/ TAPF/ MDPF/ TMDPF/ MIPF/ TMIPF, wherever applicable.

**6. Occurrences of Misconduct**

- 6.1. The Original Leader, Successor or Nominee are involved in these events:
  - 6.1.1. Joined the competitor.
  - 6.1.2. Published comments or articles disparaging to AIA, Life Planners or policyholders.
  - 6.1.3. Acted in any way contrary to the interest of AIA and its policyholders.
  
- 6.2. Due to fault of the Original Leader:
  - 6.2.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.
  - 6.2.2. The Business Succession Nomination will be nulled and voided.
  
- 6.3. Due to fault of the Successor:
  - 6.3.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.
  - 6.3.2. The Successor will no longer be eligible as the successor in the Business Succession Nomination.
  
- 6.4. Due to fault of the Original Leader **AND** Successor:
  - 6.4.1. All benefits (i.e. commission, overriding, compensation and DM Spin-off Benefit) due will be withheld for future recovery in accordance with AIA termination rules and the bonuses will cease.
  - 6.4.2. The Business Succession Nomination will be nulled and voided.
  - 6.4.3. The Successor will no longer be eligible as the successor in the Business Succession Nomination.

**8.0**

**TREATMENT OF  
COMPENSATION**

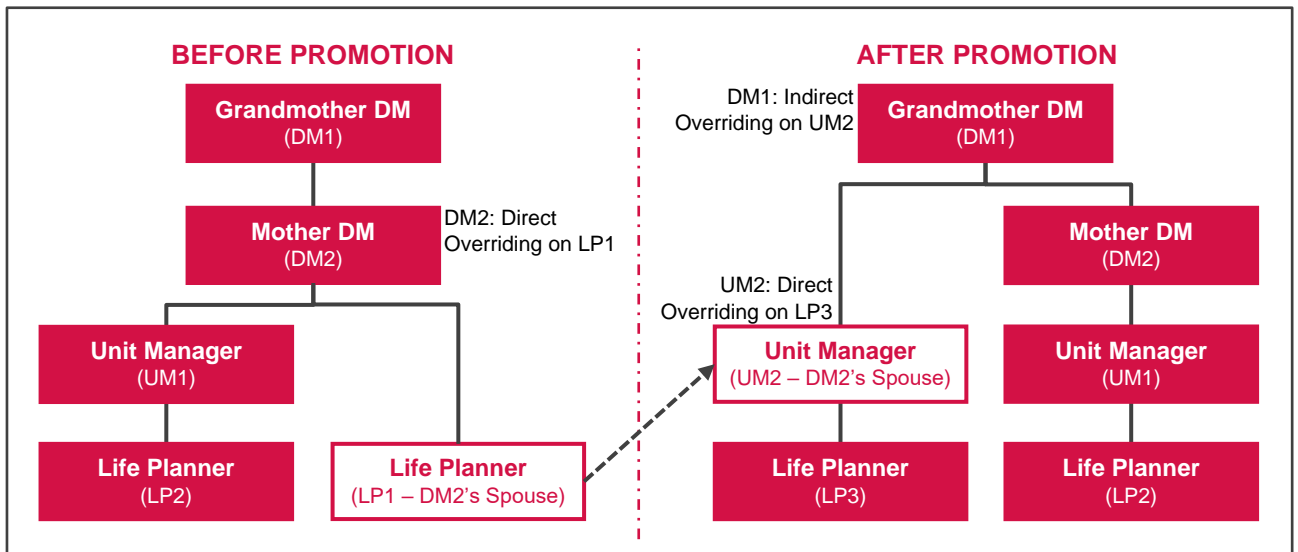
## 8.0. TREATMENT OF COMPENSATION

### 8.1. TREATMENT OF COMPENSATION: SPOUSE'S PROMOTION

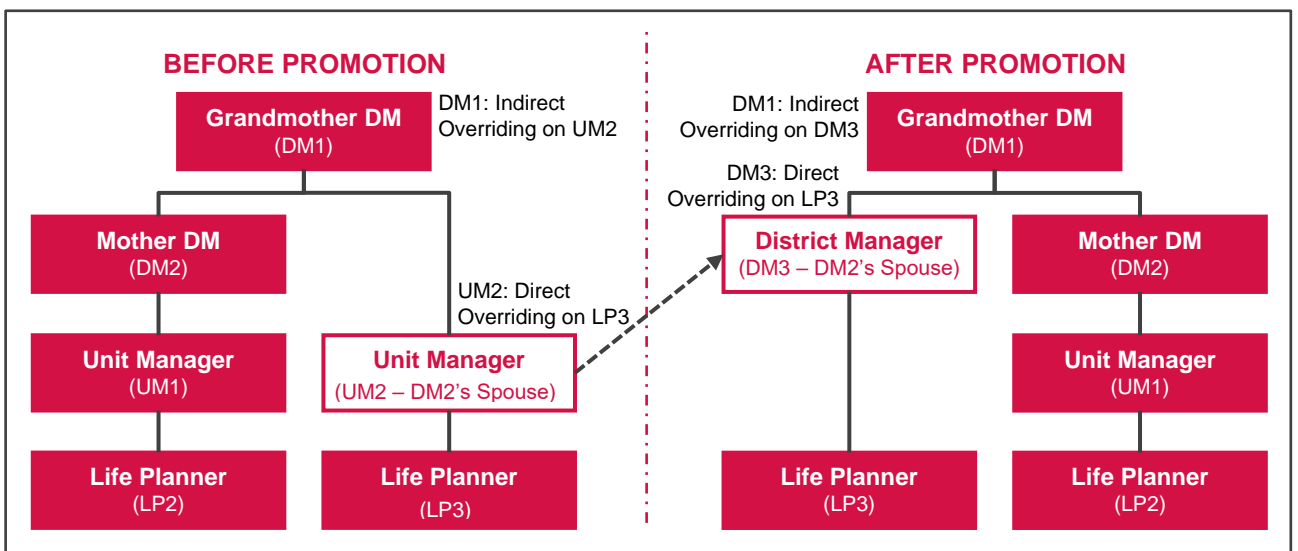
**1. Rules:**

- 1.1. There will be **NO** transition period allowed.
- 1.2. A spouse who is appointed to UM or DM will be placed under the Grandmother DM.
- 1.3. The Grandmother DM will receive overriding and benefits upon the spouse's appointment to UM or DM.
- 1.4. If the spouse is appointed to UM, the Grandmother DM will be entitled to:
  - 1.4.1. Indirect Overriding (IO) and DM Indirect BSC Bonus.
  - 1.4.2. Manager Indirect Provident Fund (MIPF/TMIPF).
- 1.5. If the spouse is subsequently appointed to DM, the Grandmother DM will be entitled to:
  - 1.5.1. DM Parallel Overriding BSC Bonus.
  - 1.5.2. DM Spin-off Benefit.
  - 1.5.3. DM Breakaway Benefit.

1.6. Illustration: Spouse is appointed to UM:



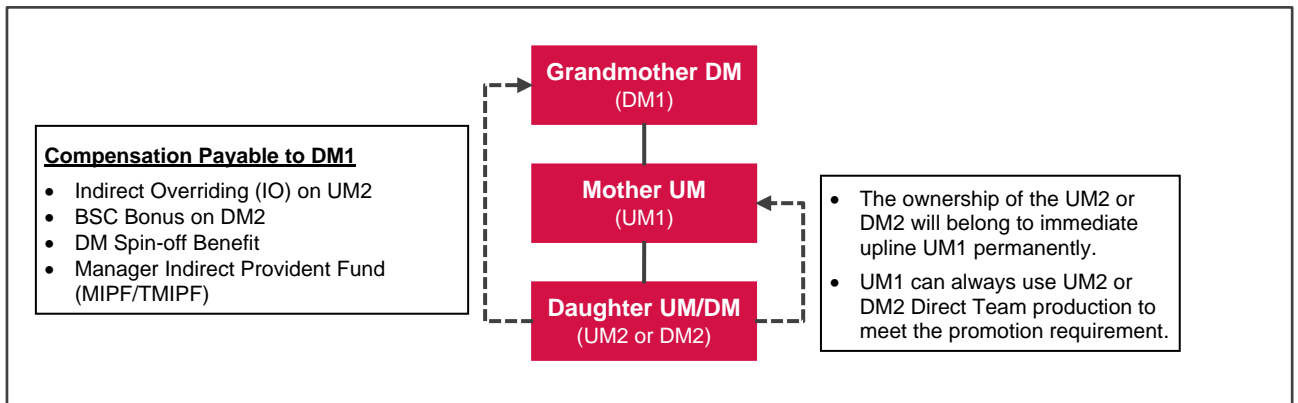
1.7. Illustration: Spouse is subsequently appointed to DM:



## 8.2. TREATMENT OF COMPENSATION: DOWNLINE LIFE PLANNER APPOINTED AS UNIT MANAGER BUT THE EXISTING IMMEDIATE UPLINE REMAINED IN THE POSITION OF UNIT MANAGER

### 1. Rules:

- 1.1. If a Life Planner is appointed as a new UM (referred to as UM2) or subsequently as a DM (referred to as DM2), but the immediate upline leader is still holding the position of UM rank (referred to as UM1), the Indirect Overriding (IO), Manager Indirect Provident Fund (MDPF/TMDPF) and DM Spin-off Benefit will be paid to the Grandmother DM (referred to as DM1).
- 1.2. However, the ownership of the UM2 will still belong to his immediate upline UM1 permanently; even though UM2 may one day subsequently be promoted to DM2 position.
- 1.3. UM1 can use his/her UM2 or DM2 Direct Team production to be counted for promotion requirement (e.g. minimum one (1) downline for UM promotion to DM).
- 1.4. If UM1 is promoted to DM rank, he/she can claim back UM2 or DM2 to be the downline but can only be entitle to IO, MIPF/TMIPF and DM Spin-off Benefit on all business captured under UM2 or DM2 effective from UM1's promotion to DM rank.
- 1.5. Any renewal benefit or spillover benefit such as IO, MIPF/TMIPF and DM Spin-off Benefit on business captured under UM2 or DM2 prior to UM1's promotion to DM rank, will still be payable to DM1.
- 1.6. Illustration:



**8.3. TREATMENT OF COMPENSATION: OTHER LINES OF BUSINESS**

1. **Eligibility:** All Ranks who are still in-forced with AIA.
2. **General Insurance:**

Rank	PA (% x Premium)	Motor (% x Premium)	Home or Commercial Business Unit (% x Premium)	Personal Lines or Commercial Business Unit (Valuables or Liabilities) (% x Premium)
District Manager (DM)	1.0%	0.3%	0.5%	1.0%
Unit Manager (UM)	3.0%	0.7%	1.0%	3.0%
Life Planner (LP)	20.0%	9.0%	13.5%	21.0%
Awards and Recognition	1.0%	-	-	-
<b>Total</b>	<b>25.0%</b>	<b>10.0%</b>	<b>15.0%</b>	<b>25.0%</b>

3. **Corporate Solutions:**

Rank	Group Personal Accident (% x Premium)	Group Term Life or Group Hospitalization and Surgical (% x Premium)
District Manager (DM)	1.0%	0.5%
Unit Manager (UM)	3.0%	1.5%
Life Planner (LP)	20.0%	8.0%
Awards and Recognition	1.0%	-
<b>Total</b>	<b>25.0%</b>	<b>10.0%</b>

4. **Mortgage and Private Retirement Scheme (PRS):**

Rank	Mortgage (% x Principal Loan Amount)	Private Retirement Scheme (% x Sales Charge Fee)
District Manager (DM)	0.05%	5.40%
Unit Manager (UM)	0.10%	12.60%
Life Planner (LP)	0.35%	72.00%
Awards and Recognition	-	10.00%
<b>Total</b>	<b>0.50%</b>	<b>100.00%</b>

