

THE ORIENTAL INSURANCE COMPANY LIMITED
HEAD OFFICE, NEW DELHI

Deptt: Marketing

Ref.No:HO/MKTG/2018-19/CR-8172

Dated: 30.05.2018

TO ALL ROS/DOS/BOS/ALL DEPTTS OF HO/OSTC

Re: Scheme for payment of Rewards/Incentives
to Agents for the financial year 2018-19 effective from 01st April, 2018

This has reference to IRDAI regulation notified vide F.NO:IRDAI/REG/25/137/2016 date 14.12.2016 wherein guidelines for payment of incentive and reward to Intermediaries and Agents were issued. Based on the regulation company had approved scheme for payment of reward to Agents for the financial year 2017-18 which was circulated vide circular no. 8075 dated 31.05.2017. The IRDAI Regulations provides for review of the policy every year and based on the review, the scheme for the year 2018-19 has been finalized as per the details given below:-

This incentive scheme approved for FY 2018-19 shall supersede all the previous schemes and will be operational w.e.f. 01.04.2018.

I) Reward Scheme under Health Deptt: (Monthly)

Premium Criteria	Reward/Incentive
On Premium of Policies where age of senior most persons covered is 45 years or below	8.25% of such premium
On Premium of Policies where age of all senior most persons covered is 55 years or below	5.25% of such premium

II) Reward Scheme under Motor Deptt: (Payable Monthly)

The scheme is applicable for Motor business not sourced through any OEM Tie-up/Motor Dealer:

a) Scheme for Existing Agents –

Eligibility criteria & Reward on Motor Package policies

Growth in Motor premium (OD+TP) for the the month.	Reward/Incentive (monthly)
More than 10%-upto 20%	2.5 of Motor premium (OD+TP)
More than 20%-upto 30%	3.0% of Motor premium (OD+TP)
More than 30%	4% of Motor premium (OD+TP)

Eligibility Criteria & Reward on Standalone Motor TP Policies: (Payable Monthly)

Growth in Standalone Motor TP premium for the month	Reward/Incentive(Monthly)
More than 10%	0.75% of Motor TP Premi

b) Scheme for Fresh Agents:

In respect of fresh agents who do not have any base premium for the corresponding month of the previous year, the reward/incentive will be as under subject to the condition that the number of **package policies** booked by the Agent in a month should be at least 5(five).

No. of Motor Policies booked by the Agents in a month	Reward/Incentive (Monthly)
10 to 20 motor policies	2.5% of Motor premium (OD+TP)
More than 20 and up to 30 motor policies	3.0% Motor premium (OD+TP)
More than 30 Motor Policies	4% Motor premium (OD+TP)

III) Reward scheme for *Misc. (other than Motor, Health, and crop insurance) Including RID but excluding government business:

(a) Scheme for Existing Agents

Growth in *Misc premium (other than motor, health and crop insurance) for the month	Reward/Incentive (Monthly)
More than 10%- up to 15%	3% of the premium
More than 15%- up to 20%	4% of the premium
More than 20%	4.5% of the premium

However no reward shall be payable on PA/GPA/SCP business of the agent if the ICR of PA/GPA/SCP segment is more than 75% in the last financial year.

(b) Scheme for New Agents

Eligibility for Fresh Agents:

In respect of fresh agents who do not have any base premium for the corresponding month of the previous year, the reward/incentive will be as under subject to the condition that the number of Misc. policies booked by the Agent in a month should be at least 10 (ten).



No. of *Misc. Policies booked by the Agents in a month	Reward/Incentive (Monthly)
10 to 20 policies	2.5% of the premium
More than 20 and up to 30 policies	3.0% of the premium
More than 30 policies	4% of the premium

IV) Reward scheme for Fire, Marine and Engg. Policies

a) Scheme for Existing Agents

Growth in premium for the month	Reward/Incentive (Monthly)
upto 10%	3% of the premium
More than 10%- up to 20%	4% of the premium
More than 20%	4.5% of the premium

(b) Eligibility for Fresh Agents:

In respect of fresh agents who do not have any base premium for the corresponding month of the previous year, the reward/incentive will be as under:-

No. of Policies booked by the Agents in a month	Reward/Incentive (Monthly)
Upto 10 policies	2.5% of the premium
More than 10 and up to 20 policies	3.0% of the premium
More than 20 policies	4% of the premium

(V) Reward scheme for Marine Hull and Aviation*

a) **Scheme for Existing Agents** : 3% of the premium on Every policy

b) **Eligibility for Fresh Agents:** 3% of the premium on Every policy

*In case of Aviation business, the scheme is applicable on general aviation and on non fac business.

General Exclusion under Insurance Agent's reward scheme:

- Renewals of Oriental other than the Agent's own code renewals will be treated as transferred/diverted business and will be excluded for eligibility condition of growth and payment of Reward. Oriental renewals with break of 30 days or more, procured by

another Agent, will be treated as fresh business and the same will be considered for payment of Reward.

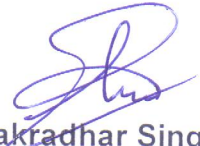
- Besides the above, based on the annual performance effective from FY 2018-19, Agents will be eligible for various club benefits for which the separate scheme is being circulated separately.
- The scheme is not applicable for Bancassurance Business, Crop Insurance, Government sponsored schemes .and micro insurance products.
- On business involving facultative reinsurance reward shall be payable to an agent only to the extent factored in the premium subject to a maximum of 30%.of the Commission.
- Divisional Offices should release the rewards under accounts code **2639 with its sub codes 2639 1 to 2639 07.**

This scheme shall come into force w.e.f 01.04.2018.

Power to issue clarificaton:-

Chairman cum Managing Director of the company has the final authority to issue clarification and his decisiion in this regard will be final.

Kindly acknowledge receipt of the circular and ensure that it reaches each and every agent working under the jurisdiction of all offices.



(Chakradhar Singh)
Dy. General Manager

