BAJAJ | Allianz

Bajaj Allianz Life Insurance Company Limited

Ref. No.: BJAZ/4/2006/H/Asst Sales Manager/D18/40/VER 0206/

Mr.Biju Gopinath
Geetha Bhawan, Near Gandhi School
Paharganj-IInd, Lal Sagar, Mandore Road
Jodhpur

Date: 02-Jun-07

Dear Mr.Biju Gopinath,

1. **Selection**
With reference to your application and subsequent interview we are pleased to inform you that you have been selected as an **Asst Sales Manager.** On joining you will have to undergo, training the exact date & location for which will be intimated to you by the branch office.

2. **Location**
You shall be based at Jodhpur 2, and report to the **Area Manager - Jodhpur 2** and work under his guidance and supervision. The Company however reserves the right to post you at any location in India.

3. **Accountabilities – Norms & Targets**
The current applicable accountabilities, norms and targets during the probation period and then after on confirmation are detailed in Annexure **A1 and A2**.

Your continuation as an Asst Sales Manager on Probation will be subject to your meeting the business targets assigned to you as presently or as may be modified form time to time and your performance being as per specified norms and conduct being found satisfactory.

4. **On Successful Completion of your Probation**
On successful completion of probation and achieving your business target / norms as per **Annexure A1**, you shall be considered for being placed as a Confirmed Asst Sales Manager. Placement as a Confirmed Asst Sales Manager is not automatic and will depend upon your successfully achieving your business targets as per Annexure A1and your conduct during the probation period.

5. **Compensation Package**
Your compensation package during the probation period will be as detailed in Annexure B1. The compensation package on your placement on Confirmation and then after will be as detailed in **Annexure B1**.

The Compensation package shall be governed by the Policies and Guidelines of the Company presently applicable and as may be modified from time to time. If entitled, you shall become a member of Provident Fund and Employees Pension Scheme and other applicable Employee Welfare/ Benefit Schemes as presently applicable and as may be modified from time to time. If you were subscribing to the Employees Provident Fund and Family Pension Scheme or Employees Pension Scheme in your previous employment, you shall furnish the full particulars, such as your Account Number, family particulars etc. at the time of joining.

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6. **Extension of Probation**
The period of probation may be extended further if necessary in writing up to a maximum of 1 Year. Thus the total period of Probation could be up to a maximum of 2 years. You shall be deemed to be on probation till you are issued a written order of Confirmation.

7. **Progression from one stage to another**
This appointment letter specifies various stages of progression from Probationary Asst Sales Manager to a Mentor Sales Manager. The movement along these stages is not automatic and would be subject to review of performance at each stage and your successfully meeting the norms/ targets laid down. A separate letter will be issued to you on being considered for the every next applicable stage i.e., from Probationary Asst Sales Manager to Mentor Sales Manager.

8. **Confirmation**
Your confirmation in the service of the Company after the probation period will depend on your meeting the business targets assigned to you as presently or as may be modified form time to time and your performance being as per specified norms and conduct found being satisfactory.

9. **Termination**

a) **During Probation**
During the period on Probation as Asst Sales Manager, either party can terminate this engagement without assigning any reasons, on giving 1 week's notice in writing or on paying to the other an amount equivalent to 1 week's basic salary in lieu of notice.

b) **On Confirmation**
It is understood and agreed that on confirmation as Asst Sales Manager this engagement may be terminated by either party by giving to the other at anytime, notice in writing of one month. The termination shall take effect at the end of such notice period. Termination with immediate effect may be made by either party by paying to the other an amount equivalent to one month Basic Salary in Lieu of notice.

In the event if termination by notice is at the instance of the Employee the Company at its sole discretion reserves the right to relieve the Employee on any date during the notice period by waiving the notice period in full or part without paying any amount towards the balance notice period. The decisions of the Company with regard to the extension of probation, confirmation or otherwise shall be final and binding.

10. **Medical Examination**
Your appointment and continuation in employment is subject to your being found fit in the pre-employment Medical Examination and in any Medical Examination during the course of your employment as may be prescribed by the Company.

11. **Leave**
You will be entitled to leaves and paid holidays as per the policy of the Company as presently applicable and as may be modified from time to time.

12. **Compliances**
You shall at all times comply with the **IRDA Terms and conditions** laid down in this contract and observe the IRDA code of Conduct etc applicable from time to time. You shall be responsible to meet all requirements under relevant laws, Indian Tax Laws, including tax compliance and filing of Tax returns. The Company may withhold from any compensation or benefits payable all central, state or other taxes as may be required pursuant to any law or governmental regulation or ruling.

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13 **Duties and Obligations**
Your duties and obligations as Asst Sales Manager are given in Annexure A2.

14. **Code of Conduct**
You shall at all times during probation and upon confirmation comply with the service regulations, code of conduct etc presently applicable and amended from time to time.

15. **Retirement**
The normal age of your retirement shall be 58 years and accordingly it is the condition of employment that you will automatically retire on attaining the age of 58 years and no further notice whatsoever to you will be necessary in this regard. However the Company may, in its sole discretion require you to retire at any age after attaining the age of 50 years if your efficiency is found to have been impaired on account of ill health or otherwise.

16. **Other Terms and Conditions**

- During your employment, you will be subject to the service Rules regulations applicable from time to time.
- The terms and conditions contained herein shall be read along with the instructions, guidelines, policies, etc. and amendments thereof as presently applicable to you and as may be amended from time to time and as may be made applicable to you by the Company subsequently in the course of your employment.
- Any other terms, conditions, stipulations not specifically mentioned herein shall be governed by HR Manual and other Policies and procedures of the Company as presently applicable and as may be amended from time to time.
- You will not, during the continuance of your employment undertake or carry on either alone or in partnership nor be directly or indirectly employed in or concerned with as principal agent, clerk, assistant, consultant, servant or otherwise in any other business, trade, or profession whatsoever. You will devote your whole time and attention to your duties with us.
- You shall not during the course of your employment engage, participate, whether directly or indirectly in any business competitive to the business of the Company.
- You shall not do anything or cause to do anything, which shall bring dishonor and/or disrepute to the Company or engage in unlawful/immoral activities.
- If at any time you are involved in any legal / administrative / quasi judicial proceeding(s) you shall immediately inform the Company the details thereof.
- You shall not at anytime use your association with the Company to gain unfair advantage for personal purposes.

At the sole discretion of the Company your services are liable to be terminated without any notice or salary in lieu thereof in the event of your involvement in any serious misconduct, misdemeanour or any offence that may or may not be directly connected with the business of the Company. Upon the termination of your employment, you will return to the Company all documents and any other articles and/or copies thereof belonging to the Company which may at the time be in your possession.

17. **Reservation of Rights**
In the event of your leaving the service of the Company for any reason, you shall immediately repay all outstanding amounts due from you to the Company.
The Company at all times reserves the rights to have a lien over the dues payable to you for recovery of cash advances / loans advanced to you by the Company and which are outstanding against your name. Your obligation to repay the outstanding amounts will not cease till the time the outstanding dues have been paid back to the Company, even if you have been relieved from the service of the Company. In the event of your leaving the employment of the Company without settling amounts due from you to the Company or if the same are not recoverable, either in full or part, from the dues payable to you by the Company, the Company shall reserve the right to institute appropriate remedial proceedings to recover the outstanding amounts.

18. **Confidential Information**
You acknowledge that the business of the Company is highly competitive and that any information concerning the Company's business (including but not limited to strategies, methods, books, records and documents, technical information concerning its products, equipment, services and processes, customer lists, procurement procedures, pricing techniques

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and credit and financial data concerning Company's customers and business affiliates) all comprise confidential business information and trade secrets, vital to the business of the Company. You hereby agree that you will not, at any time during or after your employment with the Company, make any unauthorized disclosure of any confidential business information or trade secrets of the Company, or make any use thereof, except for the benefit of and on behalf of, the Company. For the purpose of this paragraph, the term "Company" shall also include all affiliates of the company. Any disclosure, which has not been expressly authorized by the Company, shall be called 'unauthorized disclosure'. Unauthorized Disclosure and use of confidential information constitutes a serious misconduct & the Company shall be entitled to take appropriate disciplinary action against you including termination of service. Disclosure and use of Confidential information of the Company after the termination of your relationship with the Company shall entitle the Company to initiate appropriate legal proceedings, including but not limited to seeking an "order of injunction'. Where disclosure of Confidential information is made by you in observance of order of a competent court or may be required to be made under any applicable law you shall inform the Company either before or immediately thereafter the nature and extent of disclosures made and the circumstances under which those disclosures were required to be made by you.

19. **Indemnity**

You shall indemnify the Company against any loss, damage, proceeding which the Company might suffer due to any wrongful acts, mala fide acts, negligence and /or gross dereliction of duties on your part. Such indemnity shall not prejudice the right of the Company to terminate your services on such count or the right of the Company to seek other remedies which the Company may have to undertake to make good the Loss, damage.

20. **Severability**

If any provision of this agreement shall be invalid or unenforceable by any court of competent jurisdiction, the reminder of this agreement, other than that portion determined to be invalid or unenforceable, shall be unaffected thereby and each valid provision of this agreement shall be enforced to the fullest extent permitted by law.

21. **Governing laws & Jurisdiction**

The Laws of the Union of India shall govern this relationship. In the event of any dispute, the courts at Pune shall have the jurisdiction to decide the issue.

22. **Relationship with Directors**

You will declare your relationship, if any, with any of the Directors of the Company in terms of Section 6 of The Companies Act 1956. In case you become related to any of the Directors of the Company, you will inform the Company within 7 days of such a relationship coming into existence.

23. **Advertisement**

You shall not publish or cause to be published in any media, print, web or electronic, any advertisement concerning the Company or its products without the prior written approval and authority of the Company and further such matter to be published or caused to be published in any media, print or electronic shall be approved in writing by the Company. You shall not distribute any circular or writing concerning the Company without the prior written approval of the Company. Any such matter to be published or caused to be published in any type of media whatsoever or any such circular or note concerning the Company shall comply with the IRDA (Insurance Advertisements & Disclosures) Regulations, 2000. If any law suit shall be brought against the Company as a consequence of any unauthorized action or publication or statement of yours or the representative in any media, print, electronic or in any other form or for such action caused by You, all costs, loss or damages arising there from shall be borne by You.

24. **Intellectual property**

All Works developed by you during the course of your employment with the Company, shall belong exclusively to the Company and you hereby assign the ownership of copyrights of such works and those of any other derivative works, to the Company. You will promptly provide to the Company a complete written disclosure for each such work identifying the features or concepts you or the Company believes to be new or different. You grant to the Company an irrevocable, nonexclusive, worldwide, perpetual, paid-up license under these Works. The license scope is to make, have made, use, have used, sell, license or transfer items of such Works and to practice and have practiced methods pertaining to such Works. You are specifically made aware that you will not be liable to any compensation for such acts of yours, and that any

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rewards which the company may choose to bestow will not be deemed to confer any rights towards that invention, discovery or improvement in system or method, for you.

25. **Joining Formalities**

On the date of commencement of Training you are required to bring the following certificates in original for verification along with the photo copies of the same.

a) Educational Certificates
   - i) Date of Birth
   - ii) High School
   - iii) Graduation
   - iv) Post Graduation (if any)

d) Employment Certificates (if any)
   - i) Past Employment Certificate
   - ii) Relieving Letter from last Employer
   - iii) Last Salary Slip

e) Photographs
   Three stamp size and three-passport size.

Important: Please furnish the following important details at the time of your joining – a) Pan No. b) Bank A/c No. – (only ICICI / UTI A/c)
These are mandatory for Salary and Income Tax Processing

Please acknowledge and return the second copy duly signed in token of your acceptance of the terms and conditions of this contract.
We look forward to a mutually beneficial relationship.

Wishing you all the best.

Sincerely Yours,
For **Bajaj Allianz Life Insurance Company Ltd.**

Yogesh Srivastava
State Manager – Rajasthan

Bhumika Israni
Asst. Manager HR

Annexure Enclosed

Acknowledgement and Acceptance

I have gone through all the terms and conditions mentioned in this offer letter/ appointment letter and the enclosed Annexure. I hereby declare that I have fully understood these terms and agree that they shall remain binding. As a token of acceptance, I have hereby signed the duplicate of this letter.

Signature : _____

Name : _____

Date: : _____

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ANNEXURE – A1	
BUSINESS TARGETS FOR ASST SALES MANAGER On Probation	
Duration	6 Months
The Minimum Standards of Performance for ASST SALES MANAGER In Probation during the period of 6 months are as follows: -	
Norm	ASST SALES MANAGER
Rated F.Y.P. (Rs.)	Rs. 5,00,000/-
Unit Size	Min. 18 ICs by the end of appraisal year
Qualified ICs	Min. 9 Qualified ICs** by the end of appraisal year
Persistency (Based on 30 days Lapsation)	Min. 70%

ANNEXURE – A1	
BUSINESS TARGETS FOR ASST SALES MANAGER On Probation	
Duration	1 Year
The Minimum Standards of Performance for ASST SALES MANAGER in Probation during the period of 12 months are as follows: -	
Norm	ASST SALES MANAGER
Rated F.Y.P. (Rs.)	Rs. 10,00,000/-
Unit Size	Min. 18 ICs by the end of appraisal year
Qualified ICs	Min. 9 Qualified ICs** by the end of appraisal year
Persistency (Based on 30 days Lapsation)	Min. 70%

**Qualified ICs: "Any IC with adjusted premium of 1 lakh. (Regular premium 100% credit & 10% credit for SP) from the Start date of the STM's level start date".

These Business Targets are Indicative, Individual Targets will assigned by the Branch Manager/ Area Manager

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ANNEXTURE – A2

DUTIES AND OBLIGATIONS

- You shall devote your entire time and attention towards development of Life Insurance business of the Company and other duties assigned to you from time to time.
- You will devote your whole time and attention to your duties with us.
- Although your normal work will consist of the duties assigned to you in the present position, you may at any time be called upon to discharge any other duties which in the opinion of the Company are within your capacity to discharge and you will forthwith undertake to discharge those duties with diligence and care.
- You shall develop Life Insurance business in a planned manner through your team of ICs and ICs placed under your supervision by the Company, and in consonance with the objectives of the Company.
- You shall introduce suitable persons to the Company for appointment as an IC, and shall act generally in a way to activise the existing ICs so as to develop a stable team of ICs.
- You shall render policy service to the customers to their satisfaction.
- You shall ensure that the ICs in your organization conduct their work/ business in accordance with the provisions of the **Code of Conduct** laid down by the IRDA and in accordance with the rules and regulations that may be laid down by the company and the IRDA from time to time.
- **In respect of business procured by your ICs, you shall ensure deposit of advance deposits collected by your ICs on the following working day without fail in the Branch Office.**
- You shall maintain and ensure maintenance by your ICs, such records as may be specified by the Company, which are necessary for achievement of your and your team's targets and improving your team's productivity.
- You shall not collect any premium save and except amount of advance deposit collected towards full First Premium unless authorized by the Company.

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ANNEXURE – B1

COMPENSATION ENTITLEMENT FOR ASST SALES MANAGER ON PROBATION

Name : Biju Gopinath

Position Description: Asst Sales Manager

Distribution
1. Original: With appointment
2. Copy 1: With appointment letter for acknowledgement & return to HR
3. Copy 2: Personal file

No.	Components	Rs. per month	Rs. per Annum
1	Fixed Basic	6,000	72,000
2	House Rent Allowance	1,000	12,000
3	Flexible Benefit Package	2742	32,904
4	Medical Reimbursement	1,250	15,000
5	Company's Provident fund contribution	720	8640
6	Gratuity provision	288	3456
	Sub Total	**12,000**	**1,44,000**
7	Reimbursement Against Bills (Not paid as a part of Salary). Conveyance Reimbursement @ Rs. 1,500/- Telephone Reimbursement @ Rs. 1,500/-	3,000	36,000
	Total Cost to Company	**Rs. 15,000/-**	**Rs. 1,80,000/-**

Notes:

1. Each member is free to exercise his/her choice of apportionment of Flexible Benefit Package under the following heads within the total limits of FBP as above: -
   a) Additional HRA
   b) Special allowance

   The above selection of the team member shall be Taxable or Non-Taxable as provided for under the Income Tax Act and rules made there under and amended from time to time.

2. The 'Conveyance Reimbursement' & 'Telephone Reimbursement' shall be made by the Branch subject to Production of Conveyance and Telephone bills in original. The vehicle and the Telephone for which reimbursement is claimed must be registered in the name of the employee.

3. The CTC does not include Performance linked Incentives. The performance linked Incentives will be paid as per the rules and regulations notified from time to time. The sales incentive structure that is in force as on date is enclosed in Annexure – C. Management reserves the right to amend/withdraw the sales incentive either in whole or in part at any point with/without assigning any reasons or notice

Authorised Signatory **I Accept**

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Annexure - C

Performance Linked Incentives:

The following Incentives shall be paid.

i. Production Bonus on FYP
ii. Recruitment Bonus on IC Recruitment

(i) Production Bonus on FYP:

	Production Bonus	Production Bonus	Production Bonus	When payable
Monthly Production Bonus	5% of YTD-Rated FYP* in excess of 5 times the Annual CTC**			Payable monthly (Production Incentive paid up to the Previous Month, will be adjusted against current months YTD Incentive)
Annual Production Bonus	3% of Rated FYP in excess of 5 times the annual CTC**	Additional 2% of FYP in excess of 7 times the annual CTC* (Over and above amount paid in the earlier slab)	Additional 2% of FYP in excess of 9 times the annual CTC* (Over and above the amounts paid in the earlier two slabs.)	Payable at the end of 13th Month or at end of level change which ever is earlier. Not payable, if the Sales Manager is not in rolls of the Company

* Refer Annexure-D for detailed description of calculation of Rated FYP.

** Fixed salary excluding Reimbursements would be considered for calculation.

(ii) IC Recruitment Bonus:

Incentive: For every IC that the Sales Manager adds to his/her team, he/she earns a bonus, which is linked to the performance of that IC in his/her 1st Agency Year.

Performance level of ICs in his/her first Agency Year	Incentive Earned by the SR. SALES MANAGER	When Payable
Less than Rs. 15,000/- FYP	Nil	NA
FYP of Rs. 15,000/- or more	2% of 'Credited' FYP by the IC in his/her 1st Agency Year	Payable Monthly

- Appraisal Year: Period of 12 months, starting from the date the SALES MANAGER joins a particular level.
- All Level SALES Managers will have a Recruitment target of recruiting a minimum of 3 IC each quarter.

(Recruitment implies Licensing and introduction of at least one Proposal)

Disincentive: Failure to achieve the minimum standards for IC Recruitment, SALES MANAGER will attract a disincentive of Rs.400 per IC

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Annexure-D: Credits for calculation of Rated FYP

➢ Credits for FYP are based on the product/plan and Premium Paying Term of the Policy

Product / Plan	Premium Paying Term	FYP Credit % of Premium Received
Traditional Plans	2 to 4	15%
	5 to 9	40%
	10 to 14	60%
	15 onwards	100%
Swarna Vishranti	All	40%
Unit Linked Pension Products (RP)	All	25%
Unit Gain Policies (RP)	All	25%
Unit linked policies SP & Topups	All	3%
UG Super	All	20%
Capital Unit Gain	Upto 9	15%
	10 to 14	30%
	15 to 19	50%
	20 onwards	75%
	SP & Topups	3%
Health Care	All	50%
Family Gain	All	90%
New Unit Gain	RP	100%
	SP & Topups	10%

- Any policy where the FUP is overdue by 30 days or more will be classified as a lapsed policy for this compensation program. If the policy lapses in the 1st two years, then the FYP received on that policy will be subtracted from the current month's FYP. If the policy lapses in the 3rd year, then 50% of the FYP received on that policy will be subtracted from the current month's FYP.
- Monthly Production Bonus will be payable on the basis of YTD-Achievement vis-à-vis YTD-Minimum Standard. The YTD – Minimum Standard is Five Times of Annual CTC. However, if the Sales Manager gets promoted to next level within 12 months from current level start date, the Annual CTC would be prorated. In the event YTD Achievement falls below the Min.Std. and this results in a negative value, this will be recovered from any amount which is payable to the Sales Manager.
- In respect of allotted ICs, Sr. Sales Manager will not get any credit for NB introduced by the allotted IC prior to the date of allotment. For NB introduced by the IC after the allotment date, the Sales Manager will get credit only 60% credit on FYP.

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