

PROCEDURE TO DEAL WITH POSTPONED AND DECLINED PROPOSALS

Get the postponement / declinature letter (Form – 3107 – 3108) typed with copies thereof for office record, Agent, Development Officers or Proposer.

Send postponement/ declinature letter to the proposer, with a copy to the Agent/ Dev. Officer.

File the copy in the proposal file.

Inform the policy servicing department about declined cases to take note (if there are other policies on the same life) Take steps to refund the amount of deposit after recovering the amount of medical fee paid under all the Declined and Postponed cases where postponement is six months or more. In other postponed cases refund action will be taken only if asked by the proposer. For this purpose, the F. No. 3107 in the revised format will have to be used. In all cases where the proposal deposit amount is over Rs. 1000/- the postponement letter should invariably be sent by recorded delivery (Co.Cir.1545 dtd. 8.09.94)

1. Enter the proposal numbers of postponed cases in a Register/s under the month in which postponement period expires for follow-up purpose. Periodically go through the register and call for the proposal files relating to the proposals where the deferment period are about to expire and call for the requirement for reconsideration of the case from the proposer, agent & Development Officer.
In all postponed cases, which subsequently resulted into policies within six months of the expiry of the postponement period, the cost of the medical examination will be borne as under.
 - a. Cost of routine medical examination i.e. F.M. R before and after postponement period will be borne by the Corporation even though it may exceed Rs. 4/- per thousand sum assured.
 - b. Whereunder conditional deposits were collected and the same were adjusted towards medical fees on postponement of the proposals, credit of the same will be given to the proposer. In case, agents account was debited, the debit should be reversed.
 - c. Cost of special reports submitted before and / or after postponement period will be borne by the Corporation subject to the condition that total medical fees including the fees of routine medical examinations submitted before and after postponement period does not exceed Rs. 4%o of the sum assured except as provided in (a) above.

In case of proposals whereunder premiums are to be paid through Provident Fund Account when accepted, issue a letter in Form No. 3232 and 3868 A, 3868 B and 3233 (on page no. 191 to 194 of NB Administration Manual dtd. 01/09/82)

The period within which the premium is to be paid is as follows:

- (i) In case of first class lives, 90 days from the date of issue of acceptance letter or 120 days from the date of medical examination whichever is earlier but in any case not less than 60 days from the date of acceptance letter; and
 - (ii) In case of sub-standard lives, 60 days from the date of issue of acceptance letter. Suitable date should be inserted in the acceptance letter.
2. Declined lives index cards should be maintained for a period of 7 yrs. Only and destroyed thereafter. Declined Card slips of alphabetic list received from D.P. should be preserved for one year at DO and thereafter to be destroyed.

PENDING PROPOSALS:

The control on proposals can be kept through proposal Register sheet. The proposals which result in policies are to be posted with policy numbers and the open entries are to be followed up with Agents/D.Os., proponents with a view to completing the case. This will also help in cancellation of proposals at the end of 6 Months.

Periodically go through the proposal papers of pending cases which have not resulted into policies and take the necessary follow up action once in a month by writing letters to the proposers, agent and Development Officer in Form No. NB – 13, 14 or Form No. 3109, 3110. Take suitable action for refund of deposit (if any) and recover the medical fees if the proposal is not completed within six months. If any amount towards medical fees expenses is to be recovered from Agent's Account send an advice in form No. 3292 to commission section in a serial number order. Note the advice number and date in the Review Slip.

1. The proposer should be advised of the cancellation of the proposal by a letter. The Branch Address Stamp should be affixed on the letter form. Copies of the letters addressed to the proposer should be sent to the Agent and Development Officer. The necessary refund voucher should be prepared and sent to the Branch Account Section alongwith the necessary covering letters so that refund can be made without any further delay. If the amount of refund exceeds Rs. 1000/- approval of competent authority should be taken.
2. Under no circumstances the Branch should withhold refund action unless there is a letter received from the Development Officer or Agent stating that they are arranging to submit the requirement already called for. Fresh medical evidence required to consider the proposal should also be obtained simultaneously through the Agent/ Development Office under such cases. Proper follow up action should be taken in such cases and under no circumstances refund action of proposal Deposit be held up for over 1 year from date of collection.
3. While sending the Analysis Statement for the month to D.O. NB Department, the Under writing office should show the Sum Proposed and the number of proposals in respect of postponed, declined and cancelled cases upto the end of the financial year and out of such proposals of previous year completed during the current year.

INCOMPLETE PROPOSALS:

Incomplete proposals wherein medical reports have been received and the proposals have been registered under a provisional series because the deposit towards premium has not been paid etc. will be examined at the end of the two months from the date of its receipt by preparing a statement in form No. 4605. The agents commission account is to be debited by sending an advice to sales section in a statement in form No. 4605. The agents commission account is to be debited by sending an advice to sales section in a serially numbered advice in form No. 3292 and a note of the number and date on the Proposal Review Slip.

Scrutinize all the proposal and where the medical reports disclose adverse finding or where the special medical reports are not complied by the proposer prepare a "Semi Declinature" cards and send it to the Divisional Office. Proposal files should not be destroyed where the finding in the medical reports or personal history are such that the proposals required declinature and send the proposals to the Divisional Officer who in turn will send the file to CUS for declinature and preparation of Declined Card.