

AIG Life Brokerage

A division of the
American International Companies®

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POLICY DELIVERY RECEIPT (PDR) REQUIREMENTS

Proof of policy delivery avoids market conduct and policy service complaints by establishing the date a policy is delivered and the date the free-look period commences. Regardless of whether a state has proof of delivery requirements, the company urges producers to always obtain proof of policy delivery and maintain such proof for each client.

States Requiring Proof of Policy Delivery:

States requiring proof that a *life policy or an annuity contract* is delivered:

- Louisiana
- Pennsylvania
- South Dakota
- West Virginia

States requiring proof that a policy is delivered for *Accident & Health* policies:

- Louisiana
- South Dakota
- West Virginia

Methods for Proof of Policy/Contract Delivery:

The requirements of these states vary depending on whether the producer hand delivers the policy or mails it:

1. *Hand-delivered Policies.* When hand-delivered, a policy delivery receipt (PDR) must be signed and dated by the owner. A copy of the PDR must be returned to the company as evidence that the policy was delivered. The PDRs, AGLC101336 for American General Life and AIG Life Insurance Company and AGLC101367 for The United States Life Insurance Company in the City of New York, print with the issued policy and are also available under FastForms. A copy of each is attached for your convenience.
2. *Mail-delivered Policies.* Each of the states with policy delivery requirements permits policies to be delivered by mail. The producer must maintain evidence certifying policy mailing. The PDR must be signed by the producer and returned to the company to show that the policy was mailed to the client.

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- a. In Louisiana and South Dakota, evidence of mailing must be accomplished by any certification provided by the U.S. Postal Service, including a certificate of mailing (CM) or a certified letter with return receipt (CRR).

(By way of explanation, a CM, obtained at the post office, provides evidence that the policy is mailed, but not that it is received by the owner. A CRR, also obtained at the post office, provides evidence of mailing and of the owner's receipt of the policy.)

- b. In Pennsylvania and West Virginia, a producer may use an alternate certification method. The simplest acceptable alternate method is the producer's retention of an office copy of the producer-completed PDR. Another method may be used if it is approved in advance by the Profit Center Compliance Officer.

Company Requirements:

1. Whether or not a state requires proof of policy delivery, the company recommends that such proof be obtained either via a PDR or mailing certification and that producers maintain evidence of the delivery.
2. For states with proof of policy delivery requirements, the following rules apply:
 - a. When a policy is hand-delivered, a PDR signed by the owner must be returned to the company.
 - b. When a policy is delivered by mail, an appropriate mailing certification must be executed and a PDR signed by the producer returned to the company.
 - c. The producer must maintain a copy of the evidence of policy delivery.
 - d. No commission for a case is payable until a signed PDR for the case is received by the company.

Policies Printed with an Obsolete PDR. For a brief period, certain policies may continue to print with an obsolete PDR. When this occurs, substitute the correct PDR and comply with the requirements of this bulletin, including the *Company Requirements* section.

Please remember that a producer who fails to deliver a policy in a timely and appropriate manner is subject to disciplinary action and that a commission is subject to charge-back when a policy is rescinded because there is no satisfactory evidence the policy was delivered in an appropriate and timely manner.