

Top Reasons a Life Application Is Not In Good Order (NIGO)

We have conducted a survey over the last several months and found approximately 35% of the life applications we receive for processing were not in good order (NIGO). Because of this, these life applications required significant follow-up in order to obtain the necessary requirements to process the business. On average, an application received not in good order will take up to 14 days longer than an application received with all of the proper requirements. Below, please find the top reasons business is considered not in good order and how you can ensure each policy is issued and commissions are paid more quickly.

Reasons

1. **Applications taken on incorrect form**
2. **Missing voided check when PAC requested or PAC submitted unsigned**
3. **Missing credit card info for initial premium deduction**
4. **Illustrations not submitted with application or unsigned illustrations submitted**
5. **Missing CVAT qualification test form (MasterElite only)**
6. **Missing guarantee period**
7. **Missing replacement forms**
8. **Premium indicated on application does not match modal premium due**
9. **No indication that saving age is desired**
10. **Partner policies**
11. **Initial premium not submitted with application for Simplified Issue products**

Solutions

Check SalesLink to make sure you are using the most current application.

If clients opt for premiums to be drafted from their bank accounts, a voided check will need to be attached to the PAC form, and the form must be signed by the accountholder(s).

If your client would like to pay the initial premium using a credit card, the credit card information must be provided on page 2 of the application.

A *signed* illustration or the Statement in Lieu of Conforming Illustration form (ADMIN5208) is required for all Universal and Indexed Universal contracts at the time the application is submitted.

A *signed* qualification test form must be submitted with all MasterElite applications.

A guarantee period must be specified for all term products on page 2 of the application.

If writing a policy in a state requiring replacement forms, they are due at the time of submission (in all states except AK, CT, DC and ND – please check SalesLink for the most current information).

The premium on the application must match the modal premium on the illustration.

If saving age is desired, it must be indicated on the application at the time of submission.

To avoid delays, partner policy applications should be submitted at the same time.

Initial premium or authorization to draft initial premium is due at the time of application for all simplified issued products.