

Requirements for consideration of eligibility for hereditary commission

Central Office Marketing circular reference Mktg/ZD/32/2000 dtd 05.10.2000

	Where there is no nomination and legal evidence of title is to be waived	If Nomination Subsists (Primary legal heir)		If Nomination subsists (Not a primary legal heir)	
Amount of Renewal commission + Term assurance + Gratuity is Rs 40,000 or less	a) Annexure H b) Annexure J1-A by all heirs c) Annexure I on stamp paper d) form 3057A by B.O	Nature of payment = Renewal commission + Gratuity + Term Insurance Requirements	a) Death certificate b) ANNEXURE I on stamp paper c) ANNEXURE H	Nature of payment = Renewal commission + Gratuity + Term Insurance Requirements	a) Death certificate b) ANNEXURE F on stamp paper c) ANNEXURE G and H
If amount of Renewal commission + Term assurance + Gratuity is more than Rs 40,000 but less than 1,10,000	a) Annexure H b) Annexure L (surety's consent letter) c) Annexure M on stamp paper and completed by heirs and surety				
If amount of Renewal commission + Term assurance + Gratuity is more than rs 110000	a) legal evidence such as succession certificate , probate, letters of administration				

Annexure F	Declaration to be completed by the nominee on stamp paper
Annexure G	Letter to be given by the nominee each time the payment is made
Annexure H	Questionnaire form to be filled by the heirs on the death of the Agent
Annexure I	Declaration cum indemnity cum agreement bond
Annexure K	Details of heirs of deceased agent
Annexure L	Letter to be completed by the surety
Annexure M	Deed to be signed by the heir/claimant and surety

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Annexure – K

Heirs of deceased agents

CO Circular ref: DD/ZD/84/73 dated 09.08.1973

	Heirs of deceased Male Hindu Agent
Class I	a) Widow (or Widows collectively) b) Mother c) Sons and Daughters d) Sons, Daughters and widows of each predeceased son e) Sons, Daughters and widows of each predeceased son of each predeceased son f) Sons, Daughters of each predeceased daughter
Class II	a) Father b) i) Sons daughters sons ii) Sons daughters daughter iii) Brother iv) Sister c) i) Daughters sons son ii) Daughters sons daughter iii) Daughters daughter d) Brothers son ii) Sisters son iii) Brothers daughter iv) Sisters daughter e) Fathers father, Fathers Mother f) Fathers widow, brothers widow g) Fathers Brother, fathers sister h) Mothers father, Mothers mother I) Mothers brother, Mothers sister
Agnates	This term means heirs related by blood or adoption wholly through males
Cognates	This term means heirs related by blood or adoption but not wholly through males
	The heirs of a deceased male Hindu Agent will take according to the following rules 1) Heirs in CL I exclude heirs in CL II. Heirs in Class II exclude agnates, while agnates exclude cognates 2) Heirs in Class I share simultaneously between them 3) As regards heirs in Class II , the heirs mentioned in the highest entries exclude the heirs mentioned in the lower entries , and as between the heirs mentioned in any one entry, they share equally

	4) As regards agnates and Cognates, the order of succession is as follows. a) of the two heirs, the one who has fewer or no degrees of ascent is preferred. b) Where neither heir is entitled to be preferred to the other, both take simultaneously. c) Where the degree of ascent is the same or none, that heir is preferred who has fewer or no degrees of descent d) As regard degrees of ascent and descent, every generation constitutes a degree which shall be computed inclusive of the deceased agent. 5) Where the nature of relationship is the same, full blood is preferred to half based. 6) Child in the womb who is born alive has the same right to inherit
	Heirs of deceased Female Hindu Agent
	a) Sons and daughters (including children of any predeceased son or daughter) and husband b) Heirs of Husband c) Mother and Father d) Heirs of father e) Heirs of Mother
	The heirs of a deceased female Hindu Agent will take according to the following rules i) Heirs in the higher entries will exclude heirs in the lower entries ii) heirs in the lower entry shall take simultaneously iii) Children of deceased son or daughter will take the shares which the deceased son or daughter would have taken (I.e per stripes and not per capita) iv) in case of entries (b) (d) and (e) above the heirs will be determined as if the property had been that of the fathers mothers or husbands as the case may be and he has died intestate in respect thereof, immediately after the intestates death
	Heirs of deceased Mohammedan Agent (both Male and female)
	Mohammedan are governed by two schools of law, the Hanafi school of law for the Sunnis and the Shiah school of Law for Shias
	Table – I Heirs of Sunnis according to Hanafi school of Law Wife (or Husband), Father, Mother, Sons and Daughters. Note 1 : Sister is also an heir, If the deceased had not any of the following viz., son, daughter or father Note 2 : Brother is also an heir, If the deceased had not any of the following viz., son or father

	Table – II Heirs of Shias according to Shiah school of Law
Class I	Parents and Children
Class II	Failing all the above Grand parents and brothers and sisters Note : according to the Shiah school of Law husband or wife would share as an heir with the heirs of Class I and if there are no heirs of Class I with heirs of Class II
	Part III Heirs of Indian Christian Agent both Male and female and these governed by the Indian Succession Act.
Class I	Widow or widower and children of deceased children
Class II	Failing the children , grand children – Father (who shares with the Widow or the widower)
Class III	Failing children , grand children and father, mother and brothers and sisters or their descendants (who shares with the Widow or the widower)
	Part III Heirs of Parsi Agent both Male and female
Class I	Widow or widower and children and descendants of deceased children, including in the case of a deceased son, his widow , and in the case of a male parsi , also of his father and mother , but not in case of female parsi
Class II	In default of issue: Father and Mother along with the widow or widower. In default :
Class III	Brothers and Sisters and lineal descendants of such as them as may have pre-deceased the deceased agent (along with the widow or widower)

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ANNEXURE F

(Declaration to be completed by the nominee on stamp paper while receiving the first installment of commission or any other moneys due to the Agent)

I, the undersigned..... (full name of the nominee) in consideration of Life Insurance Corporation of India having (hereinafter called the Corporation) having agreed to pay me as the nominee of the Sri/ Smt..... (hereinafter called the "deceased agent ")who was an agent of the Corporation with Agency Code No..... the commission in respect of premiums received on policies introduced by the deceased agent or any monies found to be due to and payable to the deceased agent at the time of death under sub section 4 of section 44 of Insurance Act 1938 as made applicable to Life Insurance Corporation of India by notification in the Gazette of India dated 27-04-1972 hereby solemnly and sincerely declare and state as follows:

1. That the deceased agent left him surviving at the time of his death the following (hereinafter called the primary heirs) who are his only heirs according to the law by which he is governed namely.....(full name of the nominees)(here set out the names of the primary heirs, their relationship such as wife,son/s, daughter/s etc)
Of these primary heirs the following died after the death of the deceased agent and I believe that legal representation to their estate has been obtained/ no legal representation to his /her estate has been obtained and so far as I know such deceased primary heir left the following heirs namely..... (here set out the names and relationship)
2. I know the family of the deceased agent and to the best of the my knowledge and belief (a) out of the aforesaid persons are alive and (b)out of the aforesaid primary heirs..... are alive and have died and legal representation has been obtained to /his/her estate/ no legal representation has been taken out ,but such deceased primary heirs have left their/ his/ her own heirs as aforesaid.
3. That makes this declaration with the full knowledge and belief that my right to receive the commission as aforesaid will automatically cease when the business introduced by the agent goes off the books of the Corporation or on death of the last surviving heir of the deceased agent whichever event takes place earlier.
4. That undertake to advise the Corporation in writing immediately on death of the any of the surviving heirs including primary heirs whenever it occurs
5. That in case any payment is made towards commission or any other moneys to me after the last surviving heirs, I undertake to refund the Corporation the amount of commission/ and or any other moneys so paid to me

Dated at..... this..... day of..... 20

Signature of the nominee

Witness:

signature:

name:

designation:

address:

(NB: 1. If the nominee happens to be illiterate he/she should affix his thumb impression thereon . 2. delete whichever is not applicable)

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ANNEXURE G

(FORM OF A LETTER TO BE PASSED BY THE NOMINEE EACH TIME THE PAYMENT IS MADE)

Date:

Sr./Divisional Manager,

Sir,

Please refer to my Declaration made on wherein I have given the name of the heirs including the primary heir of Shri/Smt _____ deceased agent (hereinafter called “the agent”) bearing Agency Code No. _____ who has appointed me as his/her nominee, under sub section(4) of the Insurance Act,1938 as made applicable to the Life Insurance Corporation of India Notification in the Gazette of India dated 27-4-1972, to receive the commission, in clause(4) of that Declaration

I have undertaken to advise you in writing immediately of the death of any of the said heirs including the primary heirs whenever death occurs.

I now beg to inform you that all the said primary heirs mentioned in my Declaration are alive/ that out of the said primary heirs, viz. _____ (Mention Names) are dead and remaining heirs.

Viz. _____ (Mention Names) are alive.

The deceased primary heir has left Sri/Smt _____ as his/her _____
(Signature of the Nominee) heir/s

Signature of the Nominee

Witness : _____
Signature : _____
Name : _____
Designation: _____
Address : _____

N.B. i) If the Nominee happens to be illiterate, he/she should affix his/her thumb impression thereon.
ii) Delete whatever is not applicable.

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ANNEXURE 'H'

Questionnaires to be answered by heirs of the deceased agent claiming commission in respect of premiums received under the policy/ies introduced by him /her or any money found to be due under the provisions to sub section (4) of section 44 of the Indian Insurance Act 1938 as made applicable to the Life Insurance Corporation of India by Notification in the Gazette of India dated 27 th April 1972 .

Life Insurance Corporation Of India.

Regarding Sri/Smt _____ Agency Code No. _____ of
_____ Branch (hereinafter called “the deceased”) .

(TO BE ANSWERED FULLY AND TRUTHFULLY BY THE HEIRS OF THE DECEASED AGENT.)

Note: Under sub section (4) of the section 44 of the Indian Insurance Act, 1938, the commission in respect of premiums received under the policy/ies introduced by the deceased agent or any moneys found to be due to the deceased agent, is payable to his/her heirs, that is, those persons who would succeed to the estate of the deceased agent as if he/she had died intestate, and in the case of Hindus, leaving separate property of his/her own. Accordingly, the question whether the deceased agent left a will or not, or whether he/she, being a Hindu was a member of a joint and undivided Hindu family or not, do not arise. The persons entitled to claim the commission or any moneys found to be due to the deceased agent, the heirs who would succeed to the estate of the deceased agent as if he had died intestate.

I

I	Questions	Answers	For Office Noting Only
I.1)	1) Give the full name of the deceased ,his occupation at the time of his death and his last address?		Religion _____
2)	2) To what community did the deceased belong?		
	3) What was his religion and sect?		
	4) If a Hindu, was the deceased married under Special Marriage Act of 1872 or 1954 so that succession to his property would be regulated by the Indian Succession Act,1925 ?		
	5) If a Mohammedan, was he a Sunni or Shia?		

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II

II. Did the deceased leave any of the following relations, and if so, give their names, addresses, and approximate age viz.

1) Widow or Widower		II. Heirs 1) 2) 3) 4) 5).....
2) Children, including children or remoter issue of any children who may have predeceased the deceased		
3) If a Hindu, any widows of deceased son, deceased son's son or deceased son's son's sons		
4) Father		
5) Mother		
6) Brothers or Sisters		Whether full particulars of Minors are given ?
7) In the case of a female Hindu who was a widow and had no children or remoter issue, the heirs of her deceased husband		

N NOTE: In case a male Hindu the name of any child conceived before, though born after death should also be given. If any of the relations of the aforesaid relations are minors, state with whom the minors are living, and being maintained, and what is the relationship of such person to the minor, and if such person is not the natural guardian (father or mother) of the minor, whether either of the natural guardians are dead, and if either of them are alive, why the minor is living separately from his or her.

III

Questions	Answers	For Office Noting Only
III. If the deceased died without leaving any of the aforesaid relations, but leaving any remoter relations, such as father's father or father's mother, uncles or aunts, cousins etc. give the names of all such remoter relations and the children of any relations who may be dead?		Particulars of remote relations

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IV

Questions	Answers	For Office Noting Only
II. IV a) Who, according to you, to the best of your knowledge and information are or were the heirs of the deceased at the time of his death on the basis that he died intestate (and in the case of Hindus leaving separate property), who would be entitled to receive the commission and any moneys found to be due to the deceased ? IV b) Did any of such heirs who was alive at the death of the deceased agent die subsequently ? If so, who are his heirs and/ or legal representatives?		Particulars of Representatives of the deceased heirs

V

Questions	Answers	For Office Noting Only
III. All the heirs, including the representative of the deceased heirs who were live at the date of death of the deceased but died subsequently must join in receiving the commission and only moneys found to be due to the deceased and pass a Joint Receipt to the Corporation for the entire amount. As it is better and more convenient that one heir should be authorized to receive the commission and any moneys found to be due to the deceased, a) who is the heir to whom it is desired, payment should be made on behalf of all the heirs, and b) falling him who is the alternative heir to whom payment should be made? IV.	a)..... b)	Particulars of

VI

Questions	Answers	For Office Noting Only
If any the heirs subsequently dies, his share of the commission will become due to his estate and will have to be paid to his legal Representatives. In fit cases where the commission is a small one, the Corporation in order to avoid expense and trouble to the heirs of such deceased agent in taking out legal representation will make payment on indemnity to the heirs of the deceased heir on the basis he died intestate (and in case of Hindu leaving separate property of his own).		Particulars of

- NOTE: 1. Each signatory should give below his signature, his full name (in block letters) his present address and his relationship to the deceased agent.
2. If any signatory happens to be illiterate he/she should affix his/her left hand thumb impression thereto
3. Please sign below in the order of particulars of names given under II and IV

Dated at.....this..... day of.....200

Signatures of the heirs of the deceased Agent					
	Full Name	Signature	Address	Age	Relationship with the Agent
1					
2					
3					
4					
5					

Signature of the nominee if there is a nomination _____

Address :

(Note: If any heir is minor then Natural Guardian will sign on behalf of Minors)

ANNEXURE -I

Life Insurance Corporation Of India. Declaration by heirs of deceased Agent

A. Preamble (to be used in the case of Agents who worked both for Unit and the Corporation)

“We, the undersigned _____
(full names of all the heirs) _____ all of _____
Hindu/Muslim/Christian/Parsi inhabitants, in consideration of the Life Insurance Corporation of India (hereinafter called “the Corporation”) having at our request, agreed to pay to us, the undersigned jointly, as the heirs as on intestacy of _____ -
(hereinafter called the “the deceased”) who was an Agent of the _____ (hereinafter called “the Company”) up to 31 st August 1956 and thereafter from 1 st September 1956 was an agent of the Corporation, the commission on the premiums received in respect of the policies introduced by the said deceased in the aforesaid Company and Corporation under the Sub-Section(2) or Sub-Section(3) of Section 44 of the Insurance Act,1938, as made applicable to L.I.C. Of India by Gazette Notification dated 27-4-1972 do hereby solemnly and sincerely declare and state as follows.:

B. Preamble (to be used in the case of Agents who worked for Units only)

“We, the undersigned _____
(full names of all the heirs) _____ all of _____
Hindu/Muslim/Christian/Parsi inhabitants, in consideration of the Life Insurance Corporation of India (hereinafter called “ the Corporation”), having at our request agreed to pay to us, the undersigned jointly, as the heirs as on intestacy of _____ (hereinafter called “ the deceased”) who was an Agent of the _____ (hereinafter called “ the Company”), the commission on the premiums received in respect of policies introduced by the said deceased in the aforesaid Company, under Sub-Section(2) or Sub-Section(3) of Section 44 of the Insurance Act,1938, as made applicable to L.I.C. of India by Gazette Notification dated 27-4-1972 do hereby solemnly and sincerely declare and state as follows.”

C. Preamble (To be used in the case of Agents who worked for the Corporation only).

“We,the undesigned _____
(full names of all the heirs) _____ all of _____
Hindu/Muslim/Christian/Parsi inhabitants in consideration of the Life Insurance Corporation of India(hereinafter called “ the Corporation”), having at our request, agreed to pay to us, the undersigned jointly,as the heirs as on intestacy of _____ (hereinafter called “ the deceased”) who was an Agent of the Corporation, the commission on the premiums received in respect of the policies introduced by the said deceased in the Corporation under Sub-Section(2) or Sub-Section(3) of Section 44 of the Insurance Act, 1938, as made applicable to L.I.C. Of India by Gazette Notification dated 27-4-1972, do hereby solemnly and sincerely state as follows.”

1. That the deceased died on the _____ day of 200 _____
2. That we the undersigned names _____ would be the sole heirs on the intestacy of the deceased leaving separate property of his own and we the undersigned, names _____ are, the legal representatives/heirs of _____ deceased, who was also one of the primary heirs of the deceased at the death of the deceased, but died subsequently and as such we are jointly entitled to the final commission or any other moneys due to the Agent till date of his death and also renewal commission in respect of renewal premiums received on policies introduced by the deceased or any other moneys due under Sub-Section(2) or Sub-Section(3) of Section 44 of the Insurance Act, 1938, as made applicable to L.I.C. Of India by Gazette Notification dated 27-4-1972 and nobody else besides ourselves is entitled to any share in such commission or moneys. In case any one or more of us dies hereafter, the rest of us undertake to immediately intimate the date of his or her death to the Corporation and to let the Corporation know who are the legal representatives of such deceased heir and whether any legal representation has been taken out of not to the estate of such heir on the basis that he or she died intestate (in the case of Hindus leaving separate property) and we undertake to keep aside the share of such deceased heir to be paid to his or her legal representatives or heirs hereafter.
3. That we hereby authorize and empower the Corporation to pay the cheques for the final commission and/or any other moneys due to the Agent till the date of his death and also renewal commission and/or first year commission due under Section 44 of the Insurance Act, 1938, on our behalf to the undersigned (name) _____ and failing him/her to the undersigned (name) _____ and declare that the receipts of such person to the Corporation for the commission and/or any other moneys paid to him/her on our behalf shall bind all of us and shall be sufficient discharge to the Corporation on making such payment.
4. That in the case of declarants (name) _____ who are minors under the age of 18 years, this declaration has been executed on their behalf by their natural/legal guardians. And we make this solemn declaration solemnly and sincerely believing the same to be true and knowing that on the faith thereof the Life Insurance Corporation of India/Unit _____ has agreed to pay the final commission and/or any other moneys due to the Agent till the date of his death and also renewal and/or first year commission due to us as the sole heirs of the deceased _____ and knowing that this declaration would be received in evidence in the litigation that may take place in connection with payment of the commission and/or any other moneys.

And we hereby covenant to save, defend , and keep harmless and indemnified the Life Insurance Corporation of India/Unit/Company _____ and its successors and assigns, and its Chairman, Directors, Zonal Managers, Secretaries, Divisional Managers and Officers and their estates and effects from and against all actions, suits, proceedings, claims and demands on the part of any person or persons whomsoever for and in respect of such final commission and/or any other moneys due to the Agent till the date of his death and renewal and/or first year commission dues or any part thereof and from all costs, damages and liability in connection therewith.

Dated at _____ this _____ day of _____ 200 _____

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____

Solemnly declared before me

(To be attested by a Magistrate or person authorized to administer Oaths)

NOTE:

1. If any of the signatories happens to be illiterate, he/she should affix his/her left hand thumb impression thereto.
2. If this form of declaration-cum-Indemnity-cum-Agreement is used after the Corporation has agreed to dispense with legal evidence of title (when no nomination is made) for payment of Gratuity and/or Term Insurance, or any other moneys except renewal commission due to the deceased Agent till date of his death, then all references to “renewal commission” made herein should be deleted.

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**Annexure
– L**

Letter to be completed and signed by the surety

The Divisional Manager
Life Insurance Corporation of India
_____ Divisional Office

Dear Sir,

I beg to inform you that I am prepared to execute an indemnity bond in favour of the Life Insurance Corporation of India to enable it to pay to Shri/Smt _____ of _____ the claim under agency code No _____ of Shri/Smt _____ (Name of the deceased agent) without insisting on legal evidence of title.

Consequently I have filled in the Questionnaire form given below

Questions	Answers
1) Are you related to the Agents Claimant? If so state your relationship	
2) What is your present occupation and permanent address	
3) What is your approximate monthly income and what are the sources	
4) What property movable or immovable do you possess and what is its present value	
5) is the property free from encumbrances	

I do hereby solemnly assure the Corporation that I have thoroughly understood and correctly answered the above questions.

Declared at _____ this _____ day of _____ 20....

Witness : _____

Signature _____

Name : _____

Signature of the Declarant: _____

Fathers Name of the declarant : _____

Occupation: _____ -

Designation: _____

Address: _____

Present Address: _____

Full name of the Surety _____

**Annexure
– M**

**To be stamped for Rs ____ at the stamp office or
collectors office before execution or to be copied out
on non-judicial stamp paper of equal value**

In consideration of the Life Insurance Corporation of India , _____ agreed to
pay _____ (Names of all payees)
_____ (relationship) of
_____ (deceased agent) the sum of Rs _____ due
under agency code no _____ of _____ deceased agent towards final
commission and/or Gratuity and/or term insurance without requiring production of probate or letters of
administration or succession certificate granted to the estate of
_____ (Name of the deceased agent) we, _____ (name
of all the payees) and _____ (name of surety) our heirs , executors and
administrators do hereby agree to keep said Life Insurance Corporation of India harmless and
indemnified from and against all claims against it on the part of any person or persons whomsoever and
all damages, costs and expenses which the said corporation may sustain or incur in consequence of any
such claims or claims.

In witness whereof , we , the said _____ (name of all
payees) and _____ (Name of surety) have set our hands at
_____ this _____ day of _____ 20__

signed and delivered by the said _____ (Name of all payees) and
_____ (name of surety) in the presence of :

Witness :

Surety

- | | |
|--|----------------------|
| 1) Full signature of Witness 1 : | Sign of Surety _____ |
| Designation : | Designation : |
| Address: | Address: |
| 2) Full signature of Witness 2 : | |
| Designation : | |
| Address: | |

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