

To obtain a collateral assignment against a life insurance policy, please follow the steps below:

Step 1. Provide a completed and signed Collateral Assignment Form

Please print, complete, and have all parties sign the collateral assignment form for the specific insurance carrier of where your borrower has a life insurance policy.

Click [HERE](#) to View Current List of Insurance Carriers and their Collateral Assignment Forms
If the carrier is not listed, please contact our office for assistance.

Step 2. Provide documentation of the Insurance Policy

Please provide a copy of the most recent annual report from your cash value life insurance policy or declaration page if term policy. If available, please include any historical illustrations, copy of policy, or any other carrier produced paperwork.

Step 3. Provide additional information for Parties Involved

Insurance Company Information:

Ins. Co. Name: _____

Policy #: _____

Policy Owner Information:

Owner Type (Check one):

Corp.: Trust: Individual:

Owner Name: _____

Owner EIN/SSN: _____

Loan Officer Information:

Lender Name: _____

Name: _____

Phone: _____

Email: _____

Insured Information:

Insured Name: _____

Insured SSN: _____ Insured DOB: _____

Step 4. Submit paperwork from Steps 1, 2, and 3 to Submit@Capital-Assurance.com or fax us at 501.404.8888.

The team at Capital Assurance Partners (CAP) will file the collateral assignment with the insurance carrier. However, not all insurance carriers send notices that the collateral assignment has been perfected. CAP will pursue written acknowledgement of perfected collateral assignments for our enrolled lenders. Typical carrier processing time can be anywhere between 2 - 30 days.

**We are here to support you through the process of getting a collateral assignment on life insurance.
 Please contact us with any questions or concerns at the number or email below.**

Assignment of Life Insurance Policy As Collateral

(Please PRINT Owner and Assignee information. For multiple owners, additional space is provided.)

Policy Owner/Assignor Name _____

Address _____

City _____ State _____ Zip _____

Policy Number _____ Insured _____

Assignee Name _____

Address _____

City _____ State _____ Zip _____

TIN/SSN: _____ Date of Birth _____

Assignee Bank FDIC Certificate Number _____

Phone Number (_____) _____

For value received, the undersigned Policy Owner(s) (collectively "Assignor") hereby assigns, transfers, and sets over to Assignee and to the executors, administrators, successors and assigns ("Assignee"), Policy No. _____ including any endorsements, riders and supplementary contracts issued in connection therewith (the "Policy"), issued or assumed by AUGUSTAR LIFE INSURANCE COMPANY or AUGUSTAR LIFE ASSURANCE COMPANY, Cincinnati, Ohio ("Insurer"), and all claims, options, privileges, rights, title, and interest therein (except as provided in Paragraph B hereof), subject to all the terms and conditions of the Policy, any outstanding liens that Insurer may have against the Policy, and any prior assignments of or superior liens against the Policy. The undersigned Assignor by this instrument jointly and severally agree, and Assignee by the acceptance of this assignment agrees, to the terms, conditions and provisions set forth herein.

- A. Without limiting the scope of this assignment, Assignee shall have the sole right to:
1. collect the net proceeds of the Policy from Insurer when it becomes a claim by death or maturity;
 2. partially or completely surrender the Policy and receive the surrender value;
 3. obtain loans or withdrawals on the Policy from Insurer, and to pledge or assign the Policy as security for such loans or withdrawals; provided, however, that if Assignor has elected the automatic premium loan non-forfeiture option in the Policy, the automatic premium loan option remains valid and will be exercised by the Insurer in accordance with the terms and conditions of the Policy;
 4. collect all distributions or shares of surplus, dividends, deposits, and additions to the Policy existing now or that are hereafter made or apportioned, and to exercise all options contained in the Policy with respect thereto, provided that unless and until Assignee specifically notifies Insurer in writing to the contrary, the distributions or shares of surplus, dividends, deposits, and additions shall continue on the plan in force at the time of this assignment;
 5. exercise non-forfeiture provisions and receive all benefits and advantages derived therefrom; and
 6. receive only such notices required to be sent to Assignee under to the terms of the Policy, but Assignee may obtain upon written request to Insurer any current information relating to the Policy otherwise available to Assignor.
- B. The following rights, so long as the Policy is not surrendered, are reserved to Assignor and are excluded from this assignment:
1. the right to collect from Insurer any disability benefits payable in cash that do not reduce the amount of insurance;
 2. the right to designate and change the beneficiary; and
 3. the right to elect any optional mode of settlement permitted by the Policy or allowed by Insurer.

The reservation of these rights by Assignor shall in no way impair the right of Assignee to surrender the Policy partially or completely with all its incidents or impair any other right of Assignee hereunder, and any designation or change of beneficiary or election of a mode of settlement shall be made subject to this assignment and to the rights of Assignee hereunder.

- C. This assignment is made and the Policy is held as collateral security for any and all liabilities of Assignors, or any of them, to Assignee, either now existing or that may hereafter arise between any of Assignor and Assignee ("Liabilities").

- D. Assignee agrees and covenants with Assignor and Insurer as follows:
1. that any balance of sums received from Insurer remaining after payment of the then existing Liabilities, matured or unmatured, shall be paid by Assignee to the person(s) entitled thereto under the terms of the Policy had this assignment not been executed;
 2. not to exercise either the right to partially or completely surrender the Policy or the right to obtain Policy loans or withdrawals from Insurer (except for the purpose of paying premiums), unless and until there has been a default in payment of any of the Liabilities or a failure to pay any premium when due, nor until twenty (20) days after Assignee shall have mailed, by first-class mail, postage prepaid, to Assignor at the address last supplied in writing to Assignee specifically referring to this assignment, notice of intention to exercise such right; and
 3. upon Assignor's request, to forward without unreasonable delay to Insurer the Policy for endorsement of any designation or change of beneficiary or any election of an optional mode of settlement.
- E. Insurer is authorized to recognize and act upon Assignee's claims to rights hereunder without investigating the reason for any action taken by Assignee, the validity or amount of the Liabilities, the existence of any default, the giving of any notice required under Paragraph D(2) above or otherwise, or the application to be made by Assignee of any amounts paid to Assignee. The sole signature of Assignee shall be sufficient for the exercise of any rights under the Policy assigned hereby. Payment to Assignee of any amount under the Policy shall constitute a full release and discharge of Insurer by Assignee and Assignor for that amount. Insurer may, in its sole discretion, require any claims of Assignee hereunder shall be made by sworn affidavit. Checks for all or any part of the sums payable under the Policy and assigned herein, shall be drawn to the exclusive order of Assignee if, when, and in such amounts as may be, requested by Assignee. Assignor and Assignee acknowledge and agree that if Assignee exercises its rights to surrender the Policy in error, Insurer will reinstate the Policy only under the Policy terms and conditions.
- F. Insurer is authorized to recognize and record this assignment when it is received in the form and manner required by the Policy or otherwise acceptable to Insurer. If the Policy is subject to any prior or multiple assignments on the date this assignment is received, Insurer will record this assignment in the order of its priority by date received. If the Policy is subject to any prior assignment(s) on the date this assignment is received, then Insurer will require the consent and signature(s) of all existing prior assignee(s) as a condition to effectuating any change in and/or exercising any rights of the Policy, including but not limited to the right to partially or completely surrender the Policy, the right to obtain a loan or withdrawal from the Policy, or the right to elect any non-forfeiture option specified in the Policy. If the Policy is subject to the rights of an Irrevocable Beneficiary on the date this assignment is received, then the Insurer will require the consent and signature of any Irrevocable Beneficiary prior to recognizing and recording this assignment, and, further, as a condition to effectuating any change in and/or exercising any rights of the Policy, including but not limited to the right to partially or completely surrender the Policy, the right to obtain a loan or withdrawal from the Policy, or the right to elect any non-forfeiture option specified in the Policy.
- G. Assignee shall be under no obligation to pay any premium, or principal or interest of any loans on the Policy whether or not obtained by Assignee, or any other charges on the Policy, but any such amounts paid by Assignee from its own funds shall become part of the Liabilities secured hereby, shall be due immediately, and shall draw interest at a rate fixed by Assignee from time to time.
- H. The exercise of any right, option, privilege, or power given herein to Assignee shall be at the sole option of Assignee, and (except as restricted by Paragraph D(2) above), Assignee may exercise any such right, option, privilege, or power without notice to, or assent by, or affecting the liability of, or releasing any interest hereby assigned by, any Assignor.
- I. Assignee may take or release other security, may release any party primarily or secondarily liable for any of the Liabilities or may grant extensions, renewals, or indulgences with respect to the Liabilities. Assignee may apply to the Liabilities in such order as Assignee shall determine, the proceeds of the Policy hereby assigned or any amount received on account of the Policy by the exercise of any right permitted under this assignment, without resorting or regard to other security.
- J. In the event of any conflict between the provisions of this assignment and any provisions of the note or other evidence of any Liability, with respect to the Policy or rights of collateral security therein, the provisions of this assignment shall prevail.
- K. Each Assignor warrants and represents that no proceedings in bankruptcy are pending against him/her and that none of his/her property, including the Policy, is subject to any assignment for the benefit of creditors.

Authorization

(If signing for an entity, the undersigned Owner represents that s/he has authority to bind the entity.)

Witness Signature

Owner Signature

Witness Printed Name

Owner Title (if corporation, partnership or trust)

Date

Date

For policies with Irrevocable Beneficiaries, provide Irrevocable Beneficiary information and signatures below.

I have read and understand the foregoing instrument, and hereby consent to the assignment contained herein:

Witness Signature

Irrevocable Beneficiary Signature

Witness Printed Name

Irrevocable Beneficiary Printed Name

Date

Address

City State Zip Code

Date

For policies with multiple Owners, provide additional Owner information and signatures below.

Witness Signature

Owner Signature

Witness Printed Name

Owner Printed Name

Address

City State Zip Code

Date

Witness Signature

Witness Printed Name

Date

Owner Signature

Owner Printed Name

Address

City

State

Zip Code

Date

Witness Signature

Witness Printed Name

Date

Owner Signature

Owner Printed Name

Address

City

State

Zip Code

Date

Witness Signature

Witness Printed Name

Date

Owner Signature

Owner Printed Name

Address

City

State

Zip Code

Date

