

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.**



Columbus Life Insurance Company

A member of Western & Southern Financial Group

400 EAST FOURTH STREET • CINCINNATI, OHIO 45202-3302 • 1-800-677-9595 • WWW.COLUMBUSLIFE.COM

Columbus Life Insurance Company will be referred as the "Insurer" in this Assignment.

COLLATERAL ASSIGNMENT OF UNIVERSAL LIFE INSURANCE POLICY ("Assignment")

A. **FOR VALUE RECEIVED**, _____ ("Assignor"), subject to this Assignment, assigns to _____ Address: _____

_____, and his/her/its successors and assigns ("Assignee"), a certain universal life insurance policy, bearing policy number _____ (any supplementary contracts issued for the policy), issued on the life of _____ ("Insured") by Insurer. The policy issued by the Insurer on the Insured's life may hereafter be called the "Universal Policy." This Assignment secures payment of obligations owed by Assignor to Assignee, whether direct or indirect, absolute or contingent, now existing or that may later arise between Assignor and Assignee ("Debt").

B. Except as provided in Paragraph D and subject to the terms and conditions of the Universal Policy and all superior liens the Insurer may have against the Universal Policy, Assignee assigns to Assignor all claims, options, privileges, rights, title and interest in the Universal Policy. Assignor and Assignee agree by their execution of this Assignment to all the conditions and provisions set forth.

C. It is agreed that, without detracting from the generality of the foregoing, the following specific rights are included in this assignment and pass to the Assignee:

1. The right to collection from the Insurer that portion of the death benefit equal to the outstanding Debt. Any balance remaining after payment to the Assignee will be paid by the Insurer to the beneficiary or beneficiaries named by Assignor.
2. The right to surrender the Universal Policy and receive any surrender value provided by the Universal Policy and at such other times as the Insurer may allow;
3. The right to obtain any permissible loans or advances on the Universal Policy and to pledge or assign the Universal Policy as security for such loans or advances;
4. The right to take a partial surrender subject to the terms of the Universal Policy; and
5. The right, under the Universal Policy, to request a reduction of the Specified Amount under the Universal Policy.

D. It is agreed that the following specific rights, so long as the Universal Policy has not been surrendered or otherwise terminated, are reserved and excluded from this Assignment and do not pass:

1. The right to collect from the Insurer any disability benefit that does 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 Universal Policy or allowed by the Insurer; but the reservation of these rights will not impair the right of the Assignee to surrender the Universal Policy or impair any other right of the Assignee, and any designation or change of beneficiary (including the designation of an irrevocable beneficiary) or election of a mode of settlement will be made subject to this Assignment and to the rights of the Assignee.

E. Assignor and Assignee must consent in writing to any request by Assignor to increase the Specified Amount or any request to change the death benefit option for the Universal Policy.



F. The Assignee covenants and agrees:

1. Assignee will not exercise either the right to request a full or partial surrender of the Universal Policy or the right to obtain policy loans from the Insurer, until there has been an event of default of any kind regarding the Debt or a failure by Assignor to pay any premium when due; and
2. Assignee will upon request forward any necessary forms associated with policy requests without unreasonable delay to the Insurer the Universal Policy for any election of an optional mode of settlement or policy change.

G. The Insurer may recognize the Assignee's claims to rights under this Assignment without investigating the reason for any action taken by the Assignee, or the validity or amount of Assignor's Debt, or the existence of any default, or whether the Assignee has given Assignor any advance written notice. Insurer may fully rely on the representations of the Assignee on the status and amount of the Debt. Insurer will have no liability to Assignor, his heirs, administrators, successors, or assigns or to the Universal Policy beneficiary or beneficiaries for any payments made by Insurer to Assignee.

H. The appropriate signature of the Assignee for any sums received will be a full discharge and release for such sums received from the Insurer. The Insurer is hereby further authorized to rely upon the signature of the Assignee in any respect for the exercise of any rights under the Universal Life Policy assigned hereby, and the sole receipt of the Assignee for any sums paid by the Insurer in accordance with the terms of this Assignment shall fully and completely release and discharge the Insurer. The Insurer is instructed, until otherwise advised by the Assignee in a writing received by Insurer at its administrative offices at 400 Broadway, Cincinnati, Ohio 45202-3341, to pay all amounts due the Assignee under this Assignment to Assignee at the address in Section A. Insurer will have no liability for actions taken or notices mailed before its receipt and recording at its administrative offices of a change of address for the Assignee. Checks for all or any part of the sums payable under the Universal Policy and assigned will be drawn to the exclusive order of the Assignee if, when, and in such amounts as may be, requested by the Assignee. Insurer will not be deemed in any way responsible or liable for the validity, legality and sufficiency of this Assignment.

I. The Assignee will be under no obligation to pay any premium, or the principal of or interest on any loans or advances on the Universal Policy whether or not obtained by the Assignee, or any other charges on the Universal Policy. The Assignor requests and directs the Insurer to set up the Assignee as a secondary addressee on the Insurer's books and records. Any grace or late payment notice will be sent to both the Assignor and the Assignee at the address stated in this Assignment. Insurer will have no obligation to communicate with Assignee at another address unless Assignee provides Insurer in writing, at its administrative office at 400 Broadway, Cincinnati, Ohio 45202-3341, with a change of address. If the Assignee pays any premium, the amounts so paid will become part of the Debt secured by this Assignment.

J. The exercise of any right, option, privilege or power given to the Assignee will be at the option of the Assignee, but the 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 assigned by the undersigned.

K. The Assignee may: (i) take or release other security; (ii) release any party primarily or secondarily liable for any of the Debt; (iii) grant extensions, renewals or indulgences regarding the Debt; or, (iv) apply to the Debt in such order as the Assignee will determine, the proceeds of the Universal Policy assigned or any amount received because of the Universal Policy by exercising any right permitted under this Assignment, without resorting or regard to other security.

L. If a conflict arises between this Assignment and any note or other evidence of the Debt as the amount, duration, and terms of the Debt, this Assignment will prevail. This Assignment will be subject to the terms and conditions of the Universal Policy. If a conflict arises between the Universal Policy and this Assignment, the Universal Policy will control.

M. Assignor declares, by his/her/their/its signature below, that no proceedings in bankruptcy are pending against him/her/them/it and the Universal Policy is not subject to any court order or assignment for the benefit of creditors.

N. A signature on this Assignment transmitted via facsimile or electronically will have the same force and effect as an original signature. If there is a signature of a spouse and/or irrevocable beneficiary below, those persons, by signing this Assignment consent to the Assignment by the Assignor to the named Assignee.



O. This Assignment will terminate upon the earlier of: (a) the submission to and the receipt by the Insurer of a written release of this Assignment by the Assignee or its successors in interest; (b) termination of the Universal Policy, including, but not limited to, its termination by lapse or surrender; or, (c) the date the Debt is fully paid irrespective of submission of a written release by Assignee. In the absence of a written release of this Assignment from the Assignee or his/her/its successors in interest, the Insurer may require written proof satisfactory to it that the Debt has been fully paid and such required proof may include, but not be limited to, an affidavit, release, hold harmless and indemnification agreement with supporting evidence showing payment of the Debt in full.

P. It is specifically understood and agreed that the Insurer shall have no responsibility whatsoever to the validity or effect of this Assignment and the payment by the Insurer of any sum or sums in accordance with the terms of the Assignment shall fully and completely release and discharge Insurer from any and all further liability for the payment of such sum or sums.

Signed this _____ day of _____, _____.

Signature of Spouse (if a community property state)*

Assignor and Universal Policy Owner (Individual)

Printed Name of Spouse

Printed Name of Assignor and Universal Policy Owner

Irrevocable Beneficiary**

Universal Policy Owner and Assignor (Entity)

Printed Name of Irrevocable Beneficiary**

BY: _____

Printed Name: _____

Title: _____

BY: _____

Printed Name: _____

Title: _____

*Only requested if the Assignor and Spouse are residents of a community property state (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin)

**Only required if the named beneficiary is specifically named as an irrevocable beneficiary. The naming of an irrevocable trust as beneficiary does not make the beneficiary an irrevocable beneficiary. The beneficiary designation must include clear language making the designation irrevocable.

***Full name of legal entity, if the Universal Policy is owned by a legal entity.

(FOR INSURER'S USE ONLY)

Received by _____ on this _____ day of _____, _____.

BY: _____

Title: _____



RELEASE OF COLLATERAL ASSIGNMENT
("Release")

Insured: _____ Policy No. _____

Name of Assignee: _____

Assignee's Address: _____

The above policy was collaterally assigned to the Assignee under a certain written collateral assignment dated _____ and recorded by the Insurer on _____. The obligations owed by the Assignor to the Assignee have been fully satisfied. By execution of this Release, the Assignee releases all rights, claims, title and interest in the policy that was the subject of the collateral assignment.

If the Assignee is a legal entity, the person(s) signing below on behalf of such entity warrant that: (a) they are fully authorized by the entity to execute this Release on its behalf as evidenced by the documents provided to the Insurer with this Release; (b) the required number of persons have signed on the entity's behalf; (c) all documents provided to the Insurer with this Release are authentic; and, (d) their execution shall be fully binding on such entity.

A signature on this Release transmitted via facsimile or electronically will have the same force and effect as an original signature. This Release, if transmitted to the above insurer electronically or via facsimile, will have the same force and effect as the original Release and, when received by the insured named above, shall be the controlling record.

Signed this _____ day of _____, _____

Signature of Assignee

Printed Name

Signature block for Assignee if a legal entity.

Full Legal Name of Entity

BY: _____

BY: _____

Title: _____

Title: _____

Printed Name: _____

Printed Name: _____

