

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](mailto: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.**

**Protective Life & Annuity Insurance Company**

Life and Health Insurance Administration | P.O. Box 12687 | Birmingham, AL 35202-6687

<b>Policy Number:</b>	<b>Insured(s):</b>
<b>Owner(s):</b>	

**ASSIGNMENT OF POLICY AS COLLATERAL SECURITY**

For value received, and as security for the indebtedness mentioned below, the undersigned sell, assign, transfer, and convey to \_\_\_\_\_ of

\_\_\_\_\_  
Street City State Zip Code

Its executors, administrators, successors or assigns (herein called "Assignee") the policy or contract identified above, issued, coinsured or assumed by Protective Life & Annuity Insurance Company (herein called "Insurance Company") and all rights, title and interest in and to the above identified policy, subject to all the terms and conditions of the policy and to all superior liens, if any, which the Insurance Company may have against the policy.

- A. It is expressly agreed that the following rights and privileges are included in this assignment and pass to the Assignee:
  - 1. The sole right to collect from the Insurance Company the net proceeds of the policy when it becomes a claim by death or maturity.
  - 2. The sole right to surrender the policy and to receive the surrender value at any time provided by the terms of the policy and at such other times as the Insurance Company may allow and to secure one or more loans or advances on the policy.
  - 3. The sole right to collect and receive all dividend distributions, shares of surplus; dividend deposits or additions to the policy now or hereafter earned, and to exercise any and all participation options contained in the policy. Until the Assignee shall notify the Insurance Company in writing to the contrary, the distributions, shares of surplus, dividend deposits or additions in force at the time of this assignment shall continue on the plan.
  - 4. The sole right to exercise all non-forfeiture options permitted by the terms of the policy or allowed by the Insurance Company, and to receive all benefits and advantages derived from such options.
  
- B. It is expressly agreed that the following rights, so long as the policy has not been surrendered, are reserved and excluded from this assignment and do not pass to the Assignee:
  - 1. The right to collect from the Insurance Company and disability benefit payable in cash that does not reduce the amount of insurance;
  - 2. The right to designate and change the beneficiary;
  - 3. The right to elect optional modes of settlement.

The reservation of these rights by the Owner shall in no way impair the Assignee's right to completely surrender the entire policy or impair any other right of the Assignee; and any election of an optional mode of settlement and any designation of change of beneficiary shall be subject to this assignment and to the rights of the Assignee.

- C. This assignment is made and the policy is to be held as collateral security for all indebtedness of the undersigned Owner to the Assignee now existing or that may arise in the future in the ordinary course of business. Any balance after payment of such indebtedness shall be paid to the persons entitled under the terms of the policy. The Assignee shall be under no obligation to pay any premium, or the principal of or interest on any loans or advances on the policy whether or not obtained by the Assignee, or any other charges on the policy.

Policy No: \_\_\_\_\_

- D. The Insurance Company is authorized to recognize the Assignee's claims to rights provided under this assignment without investigating the reason for any action taken by the Assignee, the validity or the amount of the indebtedness secured by this assignment, the existence of any default, or the application to be made by the Assignee of any amounts to be paid him. The sole signature of the Assignee shall be sufficient for the exercise of any rights under the assigned policy and the sole receipt of the Assignee for any sums received shall be a full discharge and release to the Insurance Company. Checks for all or any part of the sums payable under the assigned policy, shall be drawn to the exclusive order of the Assignee if, when, and in such amounts, as may be requested by the Assignee.
- E. The Assignee may exercise any right without notice to or assent by the undersigned or either of them or any other person, and without affecting the liability or releasing any interest assigned by the undersigned, or either of them.
- F. In the event of any conflict between the provisions of this assignment and the evidence or documentation of any indebtedness to the Assignee, with respect to the policy or rights of collateral security under the policy, this assignment shall prevail.
- G. Each of the undersigned declares that no proceedings in bankruptcy are pending against him.
- H. As a result of the assignment of this Modified Endowment Contract, if we determine there is a taxable gain in this contract, it will be reported to the IRS for income tax purposes.

**SIGN HERE FOR THE ABOVE REQUEST(S)**  
*Please read the Signature Requirements to avoid a delay in processing.*

**Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.**

\_\_\_\_\_  
Owner (Assignor) Signature  
(Provide title if officer of corporation)

\_\_\_\_\_  
Owner (Assignor) Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner (Assignor) Signature  
(Provide title if officer of corporation)

\_\_\_\_\_  
Owner (Assignor) Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness Signature  
Disinterested Party of Legal Age

\_\_\_\_\_  
Witness Printed Name

Policy No: \_\_\_\_\_

<b><i>Signature Requirements</i></b>
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1. Please complete the forms in BLACK ink to ensure that they are legible for processing.
2. If the policy is assigned, the Assignee does not have to sign.
3. If the Owner resides in a community property state, we recommend that the Owner's spouse join in signing this form. This is for the protection of both parties.
4. If the policy is owned by a corporation, partnership, association or company, this form should be signed by an Officer other than the Insured. The title of the Officer signing the form must also be included. If the Insured is the only Officer of the company, please give us a signed statement to that effect on company letterhead.
5. If the policy is trust owned, please send a full copy of the Certificate of Trust or the sections of the trust that indicate the title of the trust, pages that list the Trustees/Co-Trustees/Successor Trustees, trustee rights, any pages pertaining to the Life Insurance policy and the signature page. All applicable Trustees must sign.
6. If signing this form on behalf of the policy owner, please send ALL pages of the POA, Guardianship/Conservator paperwork, or other legal documentation. The POA/Guardian, etc. must sign their own name with the appropriate title behind their signature.
7. Signature should be witnessed by a disinterested party of legal age.