

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*

Notice: Should you have any question as to the legal effect of any provisions of this document, you are advised to consult your own legal counsel.

Policy No.: _____ Insured: _____

For value received, all right, title and interest (except as reserved herein) of the undersigned Policyowner in and to the above-referenced Policy is assigned and transferred to:

Legal Name of Assignee: _____

Preferred Phone No.: _____ Tax ID or Social Security Number: _____

Address: _____ City: _____

State: _____ Zip Code: _____, as Assignee. Executed this date: _____

CONDITIONS OF THIS ASSIGNMENT

- 1) This Assignment is collateral security for the amount of the indebtedness of the Policyowner, at any time, to the Assignee, and gives the Assignee the right to collect the proceeds either at death** or at maturity, or the cash surrender value of the Policy, paying the balance, if any, after discharge of the indebtedness, to the persons entitled thereto under the Policy.
- 2) The Policyowner retains all rights to exercise any rider, if appended to the Policy, that allows for issuance of a new policy upon a pre-determined date or occurrence and retains all right, title, and interest in such new policy(ies) upon issuance. Any such new policies will not be subject to this Assignment.
- 3) The right to designate and change the beneficiary is reserved to the Policyowner and is excluded from this Assignment.
- 4) This Assignment is subject to any indebtedness to the Insurance Company on the Policy and to all the terms and conditions of the Policy.
- 5) The payment of proceeds or the cash surrender value of the Policy to the Assignee shall be a full discharge and release of all claims under the Policy and the Insurance Company shall not be bound in any way to see to the application of the monies paid. The Insurance Company is hereby authorized to recognize the Assignee's claim to rights under this Assignment without investigating the reason for any action taken by the Assignee, or the validity or amount of the indebtedness of the Policyowner to the Assignee. The sole signature of the Assignee shall be sufficient for the exercise of any rights under the Policy assigned by this Assignment.
- 6) The Insurance Company does not assume any responsibility for the validity or the sufficiency of this Assignment. Any payment made or action taken by the Insurance Company prior to the filing of this Assignment at the Home Office of the Insurance Company shall be without prejudice to the Insurance Company.
- 7) This Assignment, when filed by the Insurance Company at the Home Office of the Insurance Company, shall become effective as of the date of its execution, or the effective date of the Policy, if later, and shall be subject to any payment made or action taken by the Insurance Company prior to such filing.
- 8) The undersigned declares that no proceeding in bankruptcy is pending against him/her and that his/her property is not subject to any assignment for the benefit of creditors.

*If this form is used for an Annuity, references to Insured mean Annuitant and references to Policy mean Contract.

**Death benefit proceeds for Monthly Benefit Term policies will be paid out only on a monthly basis. A lump sum death benefit payout is not available under that Policy form.

Important Notice to Modified Endowment Contract (MEC) Owners and Annuity Contract Owners:

Under IRC Section 72(e), the value of any amounts assigned or pledged as collateral may be subject to income tax and possibly penalties. Accordingly, the action you are taking may have tax consequences. Please consult with your attorney or tax advisor before acting.

Policyowner (Print Name) _____ Policyowner Signature _____

Witness (Print Name) _____ Witness Signature _____

Witness Address _____

Note: A witness signature is required. The Assignee cannot be a witness.

Spouse Signature: _____

(Required if Policy issued in or Policyowner resides in a Community Property State:
AZ, CA, ID, LA, NV, NM, TX, WA, WI)

Beneficiary Signature: _____

(Required if Beneficiary Designation is presently irrevocable)

For Company Use Only to Acknowledge filing of this Assignment:

Original filed with the Insurance Company on this date: _____ Acknowledged by: _____

RELEASE OF ASSIGNMENT OF LIFE INSURANCE POLICY AS COLLATERAL

For value received, all right, title and interest in and to the Policy No. _____ issued by Security Mutual Life Insurance Company of New York, on the life of _____ conveyed to the undersigned by the above Assignment executed _____ (insert date) is hereby released on this date: _____ (insert date).

(Legal Name of Assignee)

By _____
Name:
Title:

Date: _____

For Company Use Only to Acknowledge Release of Assignment:

Original filed with the Insurance Company on this date: _____ Acknowledged by: _____