



# ASSIGNMENT AS COLLATERAL

## CREDITOR INFORMATION

Creditor Name: \_\_\_\_\_ Date: \_\_\_\_\_

Creditor Address: \_\_\_\_\_

Borrower/Contract Owner: \_\_\_\_\_

Amount Assigned (see "Tax Consequences")

\$ \_\_\_\_\_

In this agreement, **I, me** and **my** refer to the Borrower/Contract Owner. **You** and **your** refer to the Creditor named above.

## THE ASSIGNMENT

By signing this, I assign you an interest in an annuity contract. The interest protects you in case I do not live up to my obligations. The interest I am assigning to you covers the Contract described below:

Policy/Contract: \_\_\_\_\_

Upon the life of: \_\_\_\_\_  
(Annuitant)

Your interest covers the obligations described below (check one):

- My obligations to pay every debt I owe you now or may owe you later.
- My obligation to pay the debt covered by the note dated.
- My obligations under "Keeping the Contract Inforce" are also covered.

## RIGHTS ASSIGNED

I assign to you all of my rights as Owner of the Contract except the rights described in the "Rights Not Assigned" section below and subject to your obligations described in the "Your Obligations" section below, including:

- The right to collect the Contract proceeds when they become payable because the Annuitant or Contract Owner dies, or the Contract matures.
- The right to withdraw the Contract and to receive the withdraw value of the Contract from the Insurer.

## RIGHTS NOT ASSIGNED

Until you withdraw the Contract, I keep the following rights:

- The right to change the beneficiary.
- The right to choose any mode of settlement.

## YOUR OBLIGATIONS

You agree as follows:

- If you receive more money from the Insurer than is needed to pay off my obligations to you, you will pay the extra money to me or others as called for by the Contract.
- You will not withdraw the Contract from the Insurer unless I am in default.
- If I ask you to, you will forward the Contract to the Insurer so that the Insurer can amend it to show a change of beneficiary or mode of settlement.



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## INSURER'S RIGHTS

The Insurer has all the rights under the Contract it had before I assigned it to you. The Insurer may deal with you as if you were the only owner of the Contract. For example, the Insurer may make any payments called for by the Contract to you alone and without my permission.

## KEEPING THE CONTRACT IN FORCE

You need not pay any premiums. If you do, I will repay you. I will pay interest at the highest rate allowed by law on any amounts I owe under this paragraph.

## DEFAULT

I will be in default if:

- I do not pay all of my obligations when they are due.
- I am in default under any other agreement I have with you.
- I file for bankruptcy.
- I die.
- I do not pay premiums on the Contract.

## MULTIPLE CREDITORS

If this Contract has been assigned as collateral security to more than one creditor:

1. All rights assigned under "Rights Assigned" section must be exercised jointly by the multiple creditors.
2. All payments which may be due the creditors in accordance with the terms of this agreement will be paid to the multiple creditors jointly.

## TAX CONSEQUENCES

Annuity contracts issued after, or containing earnings on investments received after 8/13/82:

I understand that by assigning my (non-qualified) annuity to you, I may be required to report some or all of the earnings that have been deferred inside the contract on my tax return for this year and a 10% IRS penalty tax may apply.

Borrower/Policy/Contract Owner Signature

Witness Signature

Address:

State of:

County of:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

By:

(Notary Public)

Duplicate received and filed at the corporate office of the insurer on \_\_\_\_\_, 20 \_\_\_\_\_

Signature