

COLLATERAL ASSIGNMENT/RELEASE OF COLLATERAL ASSIGNMENT OF POLICY

Note: The rules of the Company require that assignments shall be made in duplicate. Both copies are to be sent to the Home Office, the duplicate will be retained by the Home Office and the original will be returned to the Assignee.

| NAME OF INSURED | POLICY NUMBER |
|-----------------|---------------|
|-----------------|---------------|

A. For value received, the undersigned hereby assigns and transfers all right, title and interest in or pertaining to the above policy and any supplementary contracts issued in connection therewith (said policy being herein called the "Policy") to: Write full name and address of assignee. If a corporation, give state of incorporation. If a partnership, give names of all partners.

(herein called the "Assignee") and subject to all the terms and conditions of the Policy, to all superior liens, if any, which the Insurer may have against the Policy and to the reservation and exclusion of rights in paragraph C below. The undersigned by this instrument jointly and severally agree and the Assignee by the acceptance of this assignment agrees to the conditions and provisions herein set forth.

- B. It is expressly agreed that, without detracting from the generality of the foregoing, the following specific rights are included in this assignment and pass by virtue hereof:
1. The sole right to collect from the Insurer the net proceeds of the Policy when it becomes a claim by death or maturity;
 2. The sole right to surrender the Policy and receive the surrender value thereof at any time provided by the terms of the Policy and at such other times as the Insurer may allow;
 3. The sole right to obtain one or more loans or advances on the Policy, either from the Insurer or, at any time, from other persons, and to pledge or assign the Policy as security for such loans or advances;
 4. The sole right to collect and receive any and all distributions or shares of surplus, dividend deposits or additions to the Policy now or hereafter made or apportioned thereto, and to exercise any and all options contained in the Policy with respect thereto; provided, that unless and until the Assignee shall notify the Insurer in writing to the contrary, the distributions or shares of surplus, dividend deposits and additions shall continue on the plan in force at the time of this assignment; and
 5. The sole right to exercise all nonforfeiture rights permitted by the terms of the Policy or allowed by the Insurer and to receive all benefits and advantages derived therefrom.
- C. It is expressly agreed that the following specific rights, so long as the Policy has not been surrendered, are reserved and excluded from this assignment and do not pass by virtue hereof:
1. The right to collect from the Insurer any disability benefit payable in cash that does not reduce the amount of insurance;
 2. The right to designate and change beneficiary; and
 3. The right to elect any optional mode of settlement permitted by the Policy or allowed by the Insurer; but the reservation of these rights shall in no way impair the right of the Assignee to surrender the Policy completely with all its incidents or impair any other right of the 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 the Assignee hereunder.
- D. This assignment is made and the Policy is to be held as collateral security for any and all liabilities of the undersigned, or any of them, to the Assignee, either now existing or that may hereafter arise in the ordinary course of business between any of the undersigned and the Assignee (all of which liabilities secured or to become secured are herein call "Liabilities").
- E. The Assignee covenants and agrees with the undersigned as follows:
1. That any balance of sums received hereunder from the Insurer remaining after payment of the then existing Liabilities, matured or unmatured, shall be paid by the Assignee to the persons entitled thereto under the terms of the Policy had this assignment not been executed;
 2. That the Assignee will not exercise either the right to surrender the Policy or (except for the purpose of paying premiums) the right to obtain policy loans from the Insurer, until there has been default in any of the Liabilities or a failure to pay any premium when due, nor until twenty days after the Assignee shall have mailed, by first-class mail, to the undersigned at the addresses last supplied in writing to the Assignee specifically referring to this assignment, notice of intention to exercise such right; and
 3. That the Assignee will upon request forward without unreasonable delay to the Insurer the Policy for endorsement of any designation or change of beneficiary or any election of an optional mode of settlement.
- F. The Insurer is hereby authorized to recognize the Assignee's claims to rights hereunder without investigating the reason for any action taken by the Assignee, or the validity or the amount of the Liabilities or the existence of any default therein, or the giving of any notice under Paragraph E (2) above, or otherwise, or the application to be made by the Assignee of any amounts to be paid to the Assignee. The sole signature of the Assignee shall be sufficient for the exercise of any rights under the Policy assigned hereby and the sole receipt of the Assignee for any sums received shall be a full discharge and release therefore to the Insurer. Checks for all or any part of the sums payable under the Policy and assigned herein, shall be drawn to the exclusive order of the Assignee if, when, and in such amounts as may be requested, by the Assignee.
- G. 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, but any such amounts so paid by the Assignee from its own funds, shall become a part of the Liabilities hereby secured, shall be due immediately, and shall draw interest at a rate fixed by the Assignee from time to time not exceeding 6% per annum.
- H. The exercise of any right, option, privilege or power given herein to the Assignee shall be at the option of the Assignee, but (except as restricted by Paragraph E (2) above) 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 hereby assigned by the undersigned, or any of them.
- I. The Assignee may take or release other security, may release any party primarily or secondarily liable for any of the Liabilities, may grant extensions, renewals, or indulgences with respect to the Liabilities, or may apply to the Liabilities in such order as the 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.

CONTINUED ON REVERSE SIDE

AURORA

AN RGA COMPANY

Aurora National Life Assurance Company
P.O. Box 667, Jacksonville, IL 62651 • (800) 265-2652

COLLATERAL ASSIGNMENT/RELEASE OF COLLATERAL ASSIGNMENT OF POLICY

- J. In the event of any conflict between the provisions of this assignment and 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 of the undersigned declares that no proceedings in bankruptcy or insolvency have been filed or are pending against him and that his property is not subject to any assignment for the benefit of creditors.

| | |
|------------------|-----------------|
| PLACE OF SIGNING | DATE OF SIGNING |
| WITNESS | POLICY OWNER |
| Signature | Signature |

Received and duplicate filed at the Company, assuming no responsibility, however, as to its validity, and also reserving the right to require proof satisfactory to this Company of the Assignee's interest and the extent thereof before making any settlement under said policy.

Date _____ By _____

NOTARIAL ACKNOWLEDGEMENT (Required when requested by Aurora)

NOTE: Based upon its sole discretion, the Company reserves the right to request Notarial Acknowledgement of the policy Owner's signature before processing any transaction.

STATE OF _____

} SS.

COUNTY OF _____

On _____, (Year) ___ before me, _____, Notary Public, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she (they) executed the same in his/her (their) authorized capacity(ies), and that by his/her (their) signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

(SEAL)

NOTE: When executed by a corporation, the corporation seal should be affixed and there should be attached to the assignment a certified copy of the resolution of the Board of Directors authorizing the signing officer to execute and deliver the assignment in the name and on behalf of the corporation.

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| POLICY NUMBER | INSURED |
|---------------|---------|

RELEASE OF ASSIGNMENT OF LIFE INSURANCE POLICY

For the value received, all right, title and interest of the Assignee is hereby relinquished and released as of the date indicated with respect to the Life Insurance Policy numbered above issued by the named Insurer on the life of the named Insured.

NAME OF ASSIGNEE _____