

life assured can change the appointee at any time. If no appointee is given, and the nominee is a minor, then on the death of the life assured, the death claim is paid to the legal heirs of the policyholder.

Where more than one nominee is appointed, the death claim will be payable to them jointly, or to the survivor or survivors. **No specific share for each nominee can be made.** Nominations made after the commencement of the policy have to be intimated to the insurers to be effective.

#### Provisions related to nomination

As per recent amendment in the Insurance Act, an insurer can accept any change or cancellation of a nomination and may charge a fee from the policy holder, as specified by the regulations for affecting such changes.

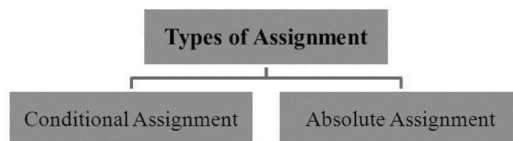
#### Assignment

The term assignment ordinarily refers to transfer of property by writing as distinguished from transfer by delivery. The ownership of property consists of various rights in respect of such property, which are vested in one or more persons.

On assignment, nomination is cancelled, except when assignment is made to insurance company for a policy loan.

The assignment of a life insurance policy implies the act of transferring the rights right, title and interest in the policy (as property) from one person to another. The person who transfers the rights is called **assignor** and the person to whom property is transferred is called **assignee**.

There are two types of assignments



**Conditional assignment** provides that the policy shall revert back to the life assured on his or her surviving the date of maturity or on death of the assignee.

**Absolute assignment** provides that all rights, title and interest which the assignor has in the policy are transferred to the assignee without reversion to the former or his/her estate in any event. The policy thus vests absolutely with the assignee. The latter can deal with the policy in whatever manner he or she likes without the consent of the assignor.

The assignment has to be in writing and must be signed and attested by at least one witness. The fact of transfer of title has to be specifically set forth in the form of an endorsement on the policy. It is also necessary that the policyholder must give notice of the assignment to