

Assignment

Assignment of a Policy is defined as the process whereby the beneficial interest, rights and title under a Life Insurance Policy gets transferred either absolutely or conditionally from one person to another.

- **Absolute Assignment** is the complete transfer of all rights and obligations under the policy from Assignor to Assignee. Examples of Absolute Assignment – Assignment of the policy to the Bank in return for the loan granted by it.
- **Conditional Assignment:** Conditional Assignment refers to the transfer of rights of the policy from Assignor to Assignee subject to fulfillment of certain conditions. It is generally done for a certain time duration. Once the conditions are fulfilled, the title under the policy automatically vests in the original Policy Holder.

For effecting assignment, an Assignment Form available at http://www.sbilife.co.in/sbilife/content/17_3104, should be duly signed and sent to the nearest SBI Life branch.

There are 5 types of forms for effecting Assignment or change of Assignment.

- Absolute Assignment for valuable consideration – Banks , Institution and Trusts
- Absolute Assignment for valuable consideration – Individuals
- Absolute Assignment for natural love and affection – Individuals
- Assignment for Key Man Insurance policy
- Conditional Assignment Form

Based on the type of Assignment, the required Form needs to be filled up and sent to the nearest SBI Life branch.

Important Points - Assignment:

1. The person assigning the policy must have absolute right or interest in the Policy.
2. The [Assignor](#) (Person who assigns the policy) must be a Major and competent to contract.
3. The [Assignor](#) and also the [Assignee](#) (Person in whose name the policy is to be assigned) should not be subject to any legal disqualification.
4. The Assignment must be supported by consideration, which can be valuable consideration or natural love and affection towards persons related to the Assignor by way of blood or marriage.
5. The Assignment must be in writing and in the appropriate format.
6. The Assignor must affix his signature in the Assignment Form and his signature should be attested by at least one witness.
7. The Assignment shall be effective, as against the Company, from and upon the service of a written notice upon the Company and the Company recording the assignment in its books.
8. SBI Life does not express itself upon the legal adequacy or validity of the underlying transaction