



**Principal Life Insurance Company**  
**Principal National Life Insurance Company**  
**Principal Securities, Inc.**

P.O. Box 10431, Des Moines, IA 50306-0431

[www.principal.com](http://www.principal.com)

Your policy indicates its issuer, which is the company responsible for the policy obligations and is referred to herein as the 'Company'.

***Split Dollar Restrictive Assignment  
of Life Insurance Policy as Collateral***

For Assistance: 800-247-9988

Fax: 866-885-0390

Email: [IndLifeService@exchange.principal.com](mailto:IndLifeService@exchange.principal.com)

**IMPORTANT:** This form is for use with split dollar arrangements in which the policy is owned by a third party, such as an irrevocable life insurance trust, to establish either (a) the insured as Assignee under a private split dollar agreement, or (b) a business as Assignee under a split dollar arrangement where the insured is a controlling owner of the business. This assignment conveys only limited rights to the Assignee, as specified below. Consult your attorney prior to signing this form. Important legal rights may be affected.

**Part A**

For Value Received, the Policyowner ("Owner") hereby assigns, transfers and sets over to

Assignee Name

Taxpayer Identification Number

Street Address, City, State, Zip

its successors and assigns, (herein called the "Assignee") Policy Number \_\_\_\_\_ issued by the Company (herein called the "Insurer") and any supplementary contracts issued in connection therewith (said policy and contracts being herein called the "Policy" ), upon the life/lives of:

for a specific amount, to be determined by the Assignee at the time any proceeds become payable under the Policy (as further described under Part B below), that is due and owing pursuant to an agreement between the Owner and the Assignee dated \_\_\_\_\_ (hereinafter called "the Agreement"), subject to all the terms and conditions of the Policy, any applicable state laws, and to all superior liens, if any, which the Insurer may have against the Policy. 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.

**Part B – Assignee Rights**

It is expressly agreed that the following specific interest in the Policy passes by virtue hereof:

The Assignee shall have an interest in any proceeds becoming payable under the Policy due to death, maturity, partial surrender, full surrender, policy loan, or advances to the extent of any liability arising under the Agreement.

**Part C – Owner Rights**

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 the beneficiary;
3. The right to elect any optional mode of settlement permitted by the Policy or allowed by the Insurer; but 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;
4. The right to take partial surrenders or obtain policy loans or advances on the Policy from the Insurer, or surrender the Policy; and
5. The right to elect a nonforfeiture provision, to change the application of dividends or to exercise any other rights, privileges, and options available under the terms of the Policy.

The reservation of these Part C Owner Rights shall in no way impair the Assignee Rights identified in the above Part B.

**Part D – Assignee Responsibilities**

The Assignee covenants and agrees with the Owner 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 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.

**Part E – Insurer Rights and Releases**

The Insurer of the policy is hereby authorized to recognize the Assignee's claim 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, or the application to be made by the Assignee of any amounts to be paid to the Assignee. The sole receipt of the Assignee for any sums received shall be a full discharge and release 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 in such amounts as may be requested by the Assignee. The Insurer shall not take any notice of the terms of any outside agreement between the Owner and the Assignee, including the aforesaid Agreement, or of any restrictions that may be imposed on the Assignee thereby.

**Part F – Assignee Responsibilities**

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 from the Policy by the exercise of any right permitted under this assignment, without resorting or regard to other security.

**Part G – General**

In the event of any conflict between the provisions of this assignment and provisions of the Agreement or other evidence of any Liability, with respect to the Policy or rights of collateral security therein, the provisions of this assignment shall prevail.

**Part H – Creditor Declarations**

The Owner declares that no proceedings in bankruptcy are pending against the Owner and that the Policy is not subject to any assignment for the benefit of creditors, nor is it subject to any spousal claims.

**Part I – Owner Intentions**

It is the intent of the Owner to hereby assign an interest in proceeds becoming payable under the Policy as security for certain advances from the Assignee, without giving the Assignee any incidents of ownership in the Policy as defined under Section 2042 of the Internal Revenue Code (and Regulations thereunder) presently in effect, or any successor thereto.

**Signatures****X**

Owner Signature  
(include title if Corporate owned, or "Trustee" if Trust owned)

Printed Name of Owner  
(Individual, Company, or Trust name)

Date

**X**

Assignee Signature  
(include title if representing a Company or Trust)

Printed Name of Assignee

Date

**X**

Signature of Irrevocable Beneficiary (if Any)

Printed Name of Irrevocable Beneficiary

Date

**Acknowledgment of Receipt**

The signor acknowledges a copy of this form has been received and filed in our Home Office. "The Company" is not a party to this assignment.

**X**

Authorized Party Signature

Printed Name of Authorized Party

Date