



17900 N. Laurel Park Dr.
Livonia, MI 48152
(800) 624-1662

Change of Ownership Life Insurance

Policy Number _____ Insured(s) _____

The undersigned hereby transfers ownership of all benefits, interest, property, and rights in the policy above described without any exception, limitation, or reservation whatsoever, to:

(This form will not be accepted without the following information.)

Name of New Owner Street Address City State Zip Social Security Number Date of Birth

The nature and effect of this change of ownership is indicated in the following expressions of intent and purpose, namely:

1. This change of ownership is _____ WITHOUT / _____ FOR a valuable consideration. (Insert an "X" in the blank before "WITHOUT" or "FOR", whichever word is expressive of the fact.)
2. If two or more owners are named above, their interests under this change of ownership shall be as indicated in the line before which an "X" is inserted below.
 - _____ Joint owners with right of survivorship between them.
 - _____ Common owners with no right of survivorship between them.
 - _____ Lifetime interest vested in _____, absolute control and power of disposition in such owner during his or her lifetime; contingent interest vested in other owner.
3. This change of ownership cancels and rescinds any reversionary provision in favor of the insured or his estate, whether contained in the policy or in any writing or provision pertaining to the policy.
4. This change of ownership does not affect or change the beneficiary designation or settlement presently contained in the policy. Proceeds payable on death will be paid in accordance with such designation or settlement unless same be hereafter changed by the owner(s), when the right to make such change exists under the policy.

The owner represents that he has read the explanations and instructions set forth on page 2 of this Change of Ownership form, and on the basis of same has formulated the expressions of intent and purpose set out in this form.

Executed at _____ this _____ day of _____, 20_____

Witness

Witness

Signature of Current Owner

Signature of New Owner

Signature of Current Joint Owner

Signature of New Joint Owner

HAVE YOU READ THE EXPLANATIONS AND INSTRUCTIONS ON PAGE 2? THE COMPANY WILL ASSUME THAT YOU HAVE AND THAT YOUR EXPRESSED PURPOSE AND INTENT IS TO BE CONSTRUCTED ACCORDINGLY.

When this change of ownership has been completed, AAA Life Insurance Company will send a letter of acknowledgement.

AAA Life Insurance Company has recorded the change requested and retained the original request.

Dated _____ By _____

Change of Ownership

A life insurance policy is a valuable piece of property and should be treated as such. Transferring the ownership of a life insurance policy is a voluntary act, the legal effect of which depends upon the expressed purpose and intent of the current policyowner. The Company can assume no responsibility for the change of ownership because it has no way of knowing the current owner's purpose and intent. It will, therefore, accept for recording any change submitted, provided it is properly executed and provided it is clear in its expressed purpose and intent. A change of ownership is not binding on the Company unless it is filed with the Company at its Home Office and the Company acknowledges the form.

Once the change of ownership has been recorded, the Company assumes that the new owner will pay the premiums. Notices will be sent to the new owner only.

When the new owner's signature is first needed on any papers after this change has been recorded, the Company reserves the right to require that the signature be witnessed by a Notary Public.

Policies currently jointly owned require the signatures of both owners to transfer ownership.

THE FOLLOWING ARE SOME SPECIFIC EXPLANATIONS CONCERNING THIS FORM AND ITS USES:

- 1. NATURE OF FORM** – This is an absolute change of ownership form. It will effect an absolute and complete transfer to the new owner of every benefit, interest, property, and right the current owner has in the policy. Nothing whatever is reserved by the current owner.
- 2. CONSIDERATION** – A valuable consideration exists when the current owner is to receive something of value for the transfer. A valuable consideration does not exist when a gift is the moving purpose of the transfer.
- 3. JOINT OWNERSHIP** – Joint ownership between "A" and "B" with right of survivorship give "A" and "B" joint ownership so long as they both continue to live, with sole ownership passing to the survivor upon the first death.
- 4. COMMON OWNERSHIP** – Common ownership is the same as joint ownership except that on the death of a common owner, his interest passes to his legatees under his will or to his heirs under the law of inheritance.
- 5. LIFETIME INTEREST** – This form of ownership gives the lifetime owner a lifetime interest in the policy with power to control, use, and dispose of its benefits by an appropriate legal act consummated during his lifetime. The other owner named receives a contingent interest.
- 6. REVERSIONARY INTEREST** – In the policy or in a related beneficiary settlement agreement there may be a provision making the Insured or his estate the final beneficiary of the policy or its proceeds should all other persons having an interest in the policy or its proceeds fail to qualify for same. Under the terms of this transfer of ownership, all such interests are rescinded and nullified, and the resulting final beneficiary is the owner, if living; otherwise the owner's estate.
- 7. BENEFICIARY DESIGNATION OR SETTLEMENT** – While the use of this form transfers title to the subject policy, it does not affect the beneficiary designation or settlement except incidentally. Whether or not the current owner changes the beneficiary designation concurrent with this transfer of ownership, the new owner will succeed to that right, provided the power to change the beneficiary is reserved under the policy.
- 8. COMMUNITY PROPERTY** – In some states, community property is an established form of ownership as between spouses. Where applicable, the rules and workings of that form of ownership must be considered in making a change in ownership. Specific guidance cannot be given on this subject because of the diversity of applicable legal doctrines and rules within the Community Law States.

AAA Life Insurance Company and its agents do not provide legal or tax advice. Therefore, you may wish to seek independent legal, tax, or financial advice.