

PROTECTIVE LIFE AND ANNUITY INSURANCE COMPANY

P.O. Box 830619

Birmingham, AL 35283-0619

ASSIGNMENT OF POLICY AS COLLATERAL SECURITY

For value received, and as security for the indebtedness hereinafter mentioned, the undersigned hereby sell, assign, transfer, set over and convey unto

of
Street City State

executors, administrators, successors or assigns (hereinafter called "Assignee") Policy No. issued or assumed by Protective Life and Annuity Insurance Company of Birmingham, Alabama (herein called "Insurance Company") and any supplementary contracts issued or assumed in connection therewith (said policy and contracts herein called the "policy") upon the life of, and all claims, options, privileges, rights, title and interest therein and thereunder, subject, however, to all the terms and conditions of the policy and to all superior liens, if any, which the Insurance Company may have against the policy.

It is expressly agreed that without detracting from the generality of the foregoing, the following rights and privileges are included in this assignment and pass by virtue thereof:

- (1) The sole right to collect from the Insurance Company the net proceeds of the policy when it becomes a claim by death or maturity; and to collect any Disability Income, unless this right be waived by the Assignee in writing.
- (2) The sole right to surrender the policy and to receive the surrender value thereof at any time provided by the terms of the policy and at such other times as the Insurance Company may allow, without notice to or assent by the undersigned or any other person, and to secure one or more loans or advances on the policy, either from the Insurance Company or, at any time, from other persons, and to pledge or assign the policy as security for same, likewise without notice to or assent by the undersigned or any other person.
- (3) The sole right to collect and receive all dividend distributions, shares of surplus, dividend deposits or additions to the policy now or hereafter made or apportioned thereto, and to determine whether the cash value of any distributions, shares of surplus, dividend deposits or additions that may be used in accordance with the terms of the policy in the payment of premiums shall be so used or shall be taken by the Assignee in cash; provided, that unless and until the Assignee shall notify the Insurance Company in writing to the contrary, the distributions, shares of surplus, dividend deposits or additions shall continue on the plan in force at the time of this assignment.
- (4) The sole right to exercise all non-forfeiture options permitted by the terms of the policy or allowed by the Insurance Company, and to receive all benefits and advantages derived therefrom.

The Assignee may exercise any right, option, privilege or power given herein without notice to or assent by the undersigned or either of them or any other person, and without affecting the liability of, or releasing any interest hereby assigned by the undersigned, or either of them.

The Assignee shall not have the right to elect optional modes of settlement or to change the beneficiary; but the reservations of these rights shall in no way impair the Assignee's right to completely surrender the entire policy or impair any other right of the Assignee hereunder; and any election of an optional mode of settlement and any designation or change of beneficiary shall be subject to this assignment and to the rights of the Assignee hereunder.

This assignment is made and the policy is to be held as collateral security for all indebtedness of the undersigned Insured (or the undersigned Owner if the Insured is not the owner of the policy) to the Assignee due or to become due or that may hereafter be contracted, and any balance that may remain with the Assignee after payment of such indebtedness shall be paid to the persons entitled thereto under the terms of the policy.

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 his own funds (including premiums paid in advance of their due dates), shall become a part of the indebtedness hereby secured, shall be due immediately, and shall draw interest at a rate fixed by the Assignee from time to time not exceeding six per cent per annum.

The Insurance Company 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 indebtedness secured by this assignment or the existence of any default therein, or the application to be made by the Assignee of any amounts to be paid him. 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 therefor to the Insurance Company. 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.

According to New York Statute, if the Owner of the policy is different than the Insured, an insurable interest must exist by the person or entity to whom the policy is assigned.

Signed and sealed in duplicate this day of(month) (year).

.....(SEAL)
Insured or Owner

.....(SEAL)
Beneficiary

STATE OF

COUNTY OF

I, the undersigned authority, in and for said County, in said State, hereby certify that whose name is signed to the foregoing assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of the assignment,executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this
Date

.....
Notary Public

My commission expires.....

Protective Life and Annuity Insurance Company shall not be deemed to have knowledge of this assignment until it has been filed at the Home Office of the Company in accordance with the terms of the Assignment Clause in the policy. The Company assumes no responsibility as to the validity or legality of any assignment.

Filed in the office of the Protective Life and Annuity Insurance Company on this
.....
Secretary

THE DEBT secured by the within Assignment having been fully paid and satisfied hereby assign and relinquish to the Assignor therein all interest conveyed by said Assignment.

Witness hand and seal on this day of(month) (year).

.....
Witness

.....
Assignee

.....
Witness