

Protective Life and Annuity Insurance Company

Life and Health Insurance Administration

P.O. Box 12687

Birmingham, AL 35202-6687

Policy No:

Insured:

Owner:

PARTIAL 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 _____ (hereinafter called "Assignee"), (Address)

Street

City

State

Zip

The above named Policy Number issued, coinsured, or assumed by Protective Life and Annuity Insurance Company (hereinafter called "Insurance Company") and my supplementary contracts issued or assumed in connection therewith (said policy and contracts hereinafter 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 partial assignment of policy as collateral security and pass by virtue thereof. The following are subject to the interests of any and all previous Assignees who still hold an interest in this policy.

1. The right to collect from the Insurance Company the proceeds of the policy in the amount of the indebtedness as evidenced by the loan agreement dated _____ between _____ and the Assignee as of the date of death of the insured or maturity of the policy provided, however, the amount collected shall not exceed _____% of the proceeds. **(not to exceed 99.99%)**
2. The right to collect from the Insurance Company any Disability Income, unless this right be waived by the Assignee in writing.
3. The 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, 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.
4. The 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 the assignment.
5. The 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.

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

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 partial assignment of policy as collateral security and to the rights of the Assignee hereunder.

This partial assignment is made and the policy is to be held as collateral security for all indebtedness of the undersigned Insured to the Assignee due under the Loan Agreement referenced above 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 percent 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 partial assignment of policy as collateral security or the existence of any default therein, or the application to be made by the Assignee of any amount to be paid him. The signature of the Assignee shall be sufficient for the exercise of any rights under the policy assigned hereby and the receipt of the Assignee for any sums received shall be a full discharge and release therefore 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 order of the Assignee if, when and in such amounts as may be requested by the Assignee.

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Signed this _____ day of _____ (month), _____ (year).

Owner (Assignor) – Provide Officer's title as well,
if owner is a corporation

(Seal)

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if owner is a corporation

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STATE OF _____ COUNTY OF _____

I, THE UNDERSIGNED AUTHORITY, IN AND FOR THE County, in said State, hereby certify that _____, whose name is signed to the foregoing partial assignment of policy as collateral security, and who is known to me, acknowledged before me on this day that, being informed of the contents of the partial assignment of policy as collateral security, _____ executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this _____ day of _____ (month), _____ (year).

Notary Public My Commission Expires _____ Seal

Protective Life and Annuity Insurance Company shall not be deemed to have knowledge of this partial assignment of policy as collateral security 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.

ASSIGNMENT RELEASE

The INDEBTEDNESS secured by this Agreement having been fully paid and satisfied, Assignee hereby assign(s) and relinquish(es) to the Assignor _____ all interest conveyed by said Assignment.

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Printed Name of Assignee Assignee Contact Number

Title of Assignee if Applicable Signature of Assignee Date

STATE OF _____ COUNTY OF _____

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

Given under my hand and official seal this _____ day of _____ (month), _____ (year).

Notary Public My Commission Expires _____

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SIGNATURE REQUIREMENTS

1. If the Policy is assigned, the Assignee does not have to sign.
2. If the Owner resides in a Community Property State, we recommend that the Owner's spouse join in signing this form. This is for the protection of both parties.
3. If the Policy is owned by a partnership, association or company, this form should be signed by two (2) officers of the company. The titles of the officers must be provided.
4. If the Policy is owned by a corporation, this form should be signed by two (2) officers of the company. The titles of the officers must be provided. If there is only one corporate officer, please advise us on this form.
5. Signatures must be witnessed by a disinterested party of legal age.