

PROTECTIVE LIFE INSURANCE COMPANY

P.O. Box 830619

Birmingham, AL 35283-0619

ASSIGNMENT/TRANSFER OF OWNERSHIP WITH TRANSFER OF OUTSTANDING LOAN(S)

INSURED _____ POLICY NUMBER(S) _____

OWNER _____

INSURER _____ \$ _____
(NAME OF EXISTING INSURANCE COMPANY) (ESTIMATED VALUE)

_____ \$ _____
(STREET ADDRESS OF EXISTING INSURANCE COMPANY) (ESTIMATED LOAN AMOUNT)

_____ (CITY/STATE/ZIP) _____ (PHONE NO.)

For value received, I hereby assign and transfer to Protective Life Insurance Company ("Protective Life") all right, title and interest to the above listed policy(ies) in an exchange intended to qualify under Section 1035 of the Internal Revenue Code. In addition, it is my intent that the outstanding policy loan(s) on the existing policy(ies) listed above shall not cause the amount of such loan(s) or gain in such policy(ies) to be includible in my gross income under Section 72, 1031 or 1035. **It is therefore, my intent that the Protective Life Insurance Company policy issued in exchange for the above-referenced policy(ies) shall be issued with a loan (referred to in the new policy as a "carryover loan") in the same amount as any loan on the existing policy(ies).**

I understand that if Protective Life approves a new life insurance policy on the life of the Insured(s) named above, then Protective Life will surrender the assigned policy(ies) and it/they will no longer be in force or effect as of the date of surrender. I further understand that, if Protective Life approves the new life insurance policy, Protective Life will collect whatever cash surrender values are available from the existing insurance company on the assigned policy(ies) and apply such amount received as premium on the new life insurance policy. I understand that the cash surrender value of the policy on the actual date of surrender is likely to be different from the cash surrender value of the policy today. This is especially true if the policy to be surrendered is a variable policy, since the cash surrender value of a variable policy fluctuates with the market. I agree that Protective Life assumes no responsibility if the full scheduled cash surrender values of the assigned policy(ies) are not received.

I certify that the above listed policy(ies) is/are currently in force and not subject to any prior assignments, any legal or equitable claims, or liens. I further certify that there is no proceeding in bankruptcy pending against me.

I hereby designate Protective Life as beneficiary of the above listed policy(ies) to the extent of the cash surrender value thereof at the date of death of the Insured(s) named above. All other beneficiary designations under the above listed policy(ies) will remain in effect. I further understand that the policy(ies) to be issued by Protective Life will have the same designated Insured(s) and Owner(s) as the above listed policy(ies).

I certify that if the above listed policy(ies) is/are not attached to this conditional assignment that it/they has/have been lost or destroyed. I hereby waive all rights and benefits under such policy(ies) and agree to return it/them to you if it/they comes/come into my possession.

I understand and agree that I will be responsible for keeping the above listed policy(ies) in force by paying any premiums as they become due until such time as Protective Life notifies me in writing that I have been issued a new life insurance policy.

I understand that any loan against the new policy will reduce the death benefits payable under the new policy and interest will be charged against loan principal in accordance with the new policy. I further understand that any future tax reporting on the new policy is based solely on the existing insurer's providing proper information concerning cost basis and gain in the existing policy(ies). I also understand that if the actual carryover loan amount is greater than estimated, Protective Life reserves the right to require additional premium to be paid in order to put the new policy in force.

I understand that under Section 1035, reporting may be required for federal income tax purposes. The replaced company is required to report all exchanges of insurance contracts on Form 1099-R, including tax-free exchanges under Section 1035 in situations in which a policyholder has an outstanding policy loan at the time of exchange. If there is an outstanding policy loan at the time of the exchange, the transaction may not be characterized as tax-free. In fact, any gain will be taxed to the extent of the outstanding policy loan. Accordingly, I understand that it is advisable when filing my individual federal income tax return that I enclose a copy of the reporting form (Form 1099-R) with an explanation that the policy was exchanged pursuant to Section 1035 of the Internal Revenue Code.

I understand and agree that Protective Life is furnishing this form and is participating in this transaction at my request and as an accommodation to me. I understand that Protective Life makes no representations concerning my tax treatment under Internal Revenue Code Section 1035 or otherwise and that Protective Life has no responsibility for the validity of this Assignment.

Check one: I have enclosed the policy(ies). I certify that the policy(ies) has/have been lost or destroyed. After due search and inquiry, to the best of my knowledge, it/they is/are not in the possession or control of any other person.

Insured(s) Signature(s) _____ Witness _____ Date _____

Owner Signature _____ Witness _____ Date _____

Owner Signature _____ Witness _____ Date _____

Collateral Assignee/Irrevocable Beneficiary Signature, if any _____ Witness _____ Date _____

(If the Owner resides in the Community Property states of Texas, Louisiana, Arizona, New Mexico, Nevada, California, Washington, Idaho, or Wisconsin, we recommend that the Owner's spouse also sign this form. Signatures must be witnessed by a disinterested party of legal age.)

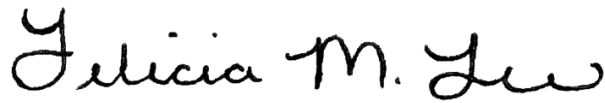
APPLICATION ENDORSEMENT

This Endorsement is part of the Application to which it is attached to replace the fraud notice with the following:

For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Signed for the Company as of the Effective Date, which is the Date of the Application.

PROTECTIVE LIFE INSURANCE COMPANY

A handwritten signature in black ink that reads "Felicia M. Lee". The signature is written in a cursive, flowing style.

Felicia M. Lee
Secretary